

Real Property

In tax year 2004, the assessed valuation of real property was nearly \$202.6 billion, an increase of approximately 3.1 percent over the 2003 amount. Taxes on these values were distributed by county auditors to the local taxing authorities during calendar year 2005. Net taxes charged after the application of the reductions required by Ohio Revised Code section 319.301 were more than \$11.2 billion for tax year 2004, an increase of 7.3 percent over 2003. This figure is before deductions of the tax rollback of 10 percent on all real property, as well as the homestead exemption and the 2.5 percent rollback for owner-occupied dwellings.

The state reimburses local governments for the full amount of the 2.5 and 10 percent rollbacks, as well as for the homestead exemption. The estimated amount of property tax relief for calendar year 2004 (reimbursed in 2005) was approximately \$1,122.6 million for the 10 percent reduction, almost \$71.0 million for the homestead exemption, and roughly \$160.5 million for the 2.5 percent reduction. These figures do not include those taxpayers that filed late for the homestead and 2.5 percent reductions.

Under state law and Department of Taxation rules, real property in all counties is reappraised every six years and property values are updated in the third year following each sexennial reappraisal. The department compares the assessed taxable value to the sales price of properties, then uses these sales ratios to check the reappraisal process.

Taxpayer:

All real property owners who are not specifically exempt are subject to the real property tax.

Tax Base (Ohio Revised Code 5713.03, 5715.01):

The real property tax base is the taxable (assessed) value of land and improvements. The taxable value is 35 percent of true (market) value, except for certain land devoted exclusively to agricultural use.

Rates (R.C. 319.301, 5705.02-5705.05, 5705.19):

Real property tax rates vary with the taxing jurisdiction. The total tax rate includes all levies enacted by a legislative authority or approved by the voters for all taxing jurisdictions in which the property is located (e.g., county, township, municipality, school district, etc.). In 2004, the statewide average “gross” millage rate was 84.19 mills on residential and agricultural real property; and the statewide average “effective” millage rate on all real property was 55.49 mills. The difference between the gross and effective rate is due to the tax reduction factors, which generally prevent increases in voted taxes when the valuation of existing real property is increased (see **Credits**).

The Ohio Constitution prohibits governmental units from levying property taxes that in the aggregate exceed 1.0 percent of true value, unless the

voters approve them. This is known in state law as the 10-mill limitation on nonvoted or “inside” millage. The inside mills are levied on taxable value — 35 percent of true value — creating a statutory limit of 0.35 percent, or nearly three times as strict as the 1.0 percent constitutional limitation.

Exemptions (R.C. 5709.07-18, 5709.25, 5713.23, 5713.31, 6111.34):

The Ohio Constitution requires real property (land and improvements) to be taxed by uniform rule according to value. Authorized exemptions implemented by statute include:

- 1. General.** Real property of governmental or private institutional organizations on the grounds of ownership and/or usage (e.g., schools, charities, churches, municipal corporations, etc.) are generally exempted. Many other specific exemptions are provided for by the Revised Code.
- 2. Farm Land.** Land devoted exclusively to commercial agricultural use may be valued according to current use instead of “highest and best” use. Such land must meet one of the following requirements for three years prior to the year in which application for the current use treatment is made:
 - (a) ten acres or more must be devoted to commercial agricultural use; or
 - (b) under ten acres must be devoted to commercial agricultural use and produce an average yearly gross income of at least \$2,500. In addition, when the land is converted from agricultural use, a charge is levied on such land in an amount equal to the amount of tax savings on the converted land during the three tax years immediately preceding the year in which the conversion occurs.
- 3. Forest Land.** Forest land, devoted exclusively to forestry or timber under the rules of the Ohio Department of Natural Resources, Division of Forestry, may be taxed at 50 percent of the local rate.

Credits (R.C. 319.301, 319.302, 323.151-157):

- 1. Percentage Rollbacks:** Under prior law, tax relief was granted in the form of a 10 percent reduction in each taxpayer’s real property tax bill. Starting with tax year 2005, the 10 percent rollback will be applied to all real property that is not intended primarily for use in a business activity. For a complete discussion, see Amended Substitute House Bill 66, the two-year state budget bill for Fiscal Years 2006-2007, in **Recent Legislation**. In addition, a 2.5 percent rollback of real property taxes is granted on a homestead that is occupied by the homeowner. The state reimburses local governments for the cost of these tax credits.
- 2. Tax Reduction Factors:** For purposes of the tax reduction factors, real property is divided into two classes: Class I for residential and agricultural property and Class II for all other real property. Separate percentage reductions are applied to taxes levied against each of these two classes when the value of existing real property in the class increases. These reduction factors remain in effect until there is an increase in the value of existing property (new

construction would not trigger a change in reduction factors). New reduction factors are calculated annually and applied. The computation of these percentage reduction factors involves the following:

- (a) Tax reduction factors are calculated to eliminate the effect of an increase in the valuation of existing real property in a taxing unit (school district, county, municipality, etc.) on certain voted taxes.
- (b) If the tax reduction factors result in an effective tax rate, for current expenses of a school district, of less than 20 mills on real property in either class, the reduction factors are adjusted to yield a minimum of 20 effective mills. The reduction factors of joint vocational school districts are adjusted to yield a minimum of two effective mills on each class of real property.

These factors are applied to the taxes levied on real estate, including public utility real property. The result of these calculations yielded net taxes of approximately \$11.2 billion in tax year 2004, as shown in the tax tables in this section.

3. Homestead Exemption: Property tax reductions are granted to qualified low-income homeowners who are at least 65 years of age or are permanently and totally disabled or to surviving spouses at least 59 years of age if the deceased spouse had previously received the exemption. The reduction is equal to the gross millage rate multiplied by the reduction in taxable value shown in the following schedule (for tax year 2005):

Total Income of Owner and Spouse	Reduce Taxable Value by the Lesser of:
\$13,100 or less	\$5,400 or 75%
More than \$13,100 but not more than \$19,200	\$3,300 or 60%
More than \$19,200 but not more than \$25,400	\$1,000 or 25%
More than \$25,400	-0-

Since tax year 2000, the income brackets have been indexed for inflation. Beginning with tax year 2002, the dollar amount reductions in taxable value have also been indexed annually for inflation.

Total income for homestead exemption purposes is defined as federal adjusted gross income, plus social security and railroad retirement benefits; retirement, pension, annuity, or other types of retirement payments or benefits not included in federal adjusted gross income; and interest on federal, state, and local government obligations. Disability benefits paid by the U.S. Department of Veterans Affairs or a branch of the armed forces are excluded from total income, as are increases in social security benefits. All disability benefits included in federal adjusted gross income are excluded from total income up to \$5,200. Disability benefits that are not included in federal adjusted gross income are excluded from total income. When the applicant who was receiving the homestead exemption because of disability reaches age 65, special rules apply that will exclude most of the retirement income.

Table 7 shows the number of homestead exemptions granted, the average reduction in real taxable value, and the total reduction in real property taxes for each county for tax year 2003. Totals for the state show that 223,835 exemptions were approved for tax year 2003. The average reduction in taxable value was \$3,890 and the total reduction in property taxes was \$68,754,186. Local governments are reimbursed in full for these reductions from the state's General Revenue Fund.

Homestead Exemption Example

The example below illustrates the computation of homestead exemption property tax relief for tax year 2005. For this example, assume that a senior citizen homeowner has the following characteristics:

- (a) Total income of \$15,000, consisting of \$5,000 in wages, \$5,000 in social security old age and survivors benefits, and \$5,000 in dividends.
- (b) A home with a market value of \$50,000 and a taxable value of \$17,500 (taxable value = 35 percent of market value).
- (c) A local property tax rate of 50 mills (gross rate before tax reduction factors).

Since the homeowner is in the \$13,100-\$19,200 income bracket, the reduction in taxable value equals the lesser of \$3,300 or 60 percent of taxable value. Since 60 percent of \$17,500 is \$10,500, the reduction in taxable value used to calculate this exemption is \$3,300. The tax savings equals the \$3,300 reduction in taxable value multiplied by the 50-mill tax rate, or \$165.

Like all other real property taxpayers, the senior citizen homeowner in the example is entitled to a tax reduction factor which is applied against the property tax (assume a 15 percent reduction). Also, the homeowner is granted a 12.5 percent tax reduction (10 percent and 2.5 percent property tax rollbacks), which is reimbursed to the local governments from the state's General Revenue Fund. When these are considered, the computation of net property tax due is shown below:

Property tax before any reductions	=	\$875.00
\$17,500 taxable value x 50 mills		
Subtract tax reduction factor (\$875 x 15%)		- 131.25
Net taxes levied after tax reduction factor	=	\$743.75
Subtract 12.5% rollback (.125 x \$743.75)		- 92.97
Net taxes before homestead	=	\$650.78
Subtract homestead exemption (\$3,300 x 50 mills)		- 165.00
Net property tax due	=	\$485.78



Special Provisions

Manufactured Home Tax

(R.C. 4505.01, 4503.06, 4503.065):

1. The manufactured home is subject to an annual property tax.
The assessed value of a manufactured home, if situated in Ohio prior to January 1, 2000, is 40 percent of the amount derived by multiplying the greater of either the home's cost or market value at the time of purchase by a depreciation percentage (from one of two schedules). The tax is determined by applying the gross tax rate of the taxing district in which the home is situated to the home's assessed value.
2. If a home was situated or had ownership transferred on or after January 1, 2000, and it is not taxed as personal property, it is assessed at 35 percent of true value. This method of assessment also applies to homes situated before January 1, 2000, if the owner made an election to have the home taxed like real property. The tax is determined by applying the effective tax rate to the assessed value and reducing the tax by 10 percent. Taxes may be reduced by an additional 2.5 percent if the home is owner-occupied. A homestead exemption is available for qualifying homeowners (see **Credits**). One-half of the amount of the annual tax is due by March 1 with the balance due by July 31. These dates are subject to extension in the same manner provided for real property (noted below). If the structure is taxable as personal property under R.C. 5709.01, it is not subject to the manufactured home tax. Travel trailers and park trailers that are unused or unoccupied and are stored at a qualified location are also not subject to the manufactured home tax.

Payment Dates (R.C. 323.12, 323.17):

December 31: At least one-half is due.

June 20: Balance due.

When the delivery of the tax duplicate is delayed for certain statutory reasons, the payment dates may be automatically extended for 30 days. Further extensions, not to exceed 15 days, may be granted for emergencies by application of the county auditor or treasurer to the Tax Commissioner. When an unavoidable delay occurs, an additional extension may be granted by application of both the county auditor and treasurer to the Tax Commissioner in order to avoid penalties to taxpayers.

Disposition of Revenue (R.C. 319.54, 321.24, 321.26, 321.261, 321.31, 321.33, 321.34):

After local administrative fee deductions, revenue is distributed to the counties, municipalities, townships, school districts, and various special districts according to the taxable values and total millage levied by each.

Administration (R.C. 319.28, 5705.03, 5713.01, 5715.01, 5715.02, 5719.05):

The Tax Commissioner supervises the taxation of real property in the state and is charged with the duty of achieving uniformity in the taxation of real property. The county auditor is responsible for assessing all real property within the county. The auditor prepares the general tax list and duplicate. Using the duplicate, the county treasurer prepares property tax bills and is responsible for the actual collection of the tax. The county board of revision hears complaints on the assessment or valuation of real property. It may increase or decrease an assessment or order a reassessment.

Ohio Revised Code Citations:

Chapters 319, 321, 323, 4501, 4503, 5705, 5709, 5713, 5715, 5719, 6111.

Recent Legislation

Am. Sub. H.B. 66, 126th General Assembly (FY 2006-2007 biennium budget bill, effective June 30, 2005; certain provisions effective September 29, 2005 and other dates). R.C. 319.20 – State of Ohio Estimated Payments (effective September 29, 2005, by Section 612.03):

This provision allowed the State of Ohio to pay an estimated amount of real property taxes for the year of acquisition. That amount is deemed to be the state's tax liability for that year, if that proportionate amount is determined by the Tax Commissioner to represent the proportion of the year's taxes not subject to remission. Otherwise, additional tax may be charged in the future for that year.

R.C. 319.302 – 10 Percent Rollback (effective June 30, 2005 by Section 612.21 and first applied to tax year 2005 by Section 557.15):

- (A) The 10 percent rollback will be applied to all real property that is not intended primarily for use in a business activity. Qualifying property includes property subject to the following uses: farming; leasing property for farming; 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 or to develop single-family, two-family, or three-family dwellings.
- (B) Exception: "farming" does not include land used for the commercial production of timber that is receiving the tax benefit under R.C. 5713.23 (Forestry Program) or R.C. 5713.31 (current agricultural use value, or CAUV) and all improvements connected with such commercial production of timber.
- (C) Annual Review: a parcel's qualifying status is set on January 1 of each year. The county auditor is required to verify that status on an annual basis.

R.C. 5709.07 — Housing-Related Facilities for State Universities (effective June 30, 2005, by Section 612.21):

The amendment allowed for the exemption of housing for full-time students and housing-related facilities for students, faculty, or employees of a state university, and the underlying land, including common space, walkways, and green spaces for students, faculty, and employees, when certain conditions are satisfied. Housing-related facilities include parking facilities and common buildings used by the students, faculty, and employees of a state university. The leasing of the housing-related facilities is not deemed to be an activity with a view to profit. The buildings and land are supervised by, or under the control of, a nonprofit organization (Internal Revenue Code 501(c)(3)) pursuant to an agreement, entered into before June 30, 2004, between the organization and the state university, whereby the university will make payments to the organization sufficient to maintain the agreed-upon debt service related to the land and buildings. The state university must have had at least 25,000 students on its main campus during the academic year that began in 2003 and ended in 2004.

R.C. 5709.12 and 5709.121 — Historic Preservation Exemption (effective June 30, 2005 by Section 612.21):

R.C. 5709.121(B) provided that the property described in division (A)(1)(a), a community or area center in which presentations in music, dramatics, the arts, and related fields are made in order to foster public interest and education therein, will continue to be eligible for exemption if six conditions are met:

- (1) the property has been exempt for the ten years immediately preceding a conveyance;
- (2) the owner to which the property is conveyed leases the property to the entity that owned or occupied the property during the ten years immediately preceding the year of conveyance;
- (3) the property contains improvements that are at least 50 years old;
- (4) the property is being renovated to claim federal historic preservation tax credits;
- (5) the property continues to be used for the purposes in division (A)(1)(a); and
- (6) the property is certified by the U.S. Secretary of the Interior as a “certified historic structure” or part of one. The application for exemption may be filed either by the owner of the property or its occupant.

R.C. 5709.40, 5709.73, 5709.77, and 5709.78 and Section 557.17 — TIF Exemptions (effective dates: the R.C. sections are effective January 1, 2006 by Section 612.18; the uncodified section is effective June 30, 2005 by Section 615.03):

- (A) R.C. 5709.40, 5709.73, and 5709.78 are amended to remove the requirement that the percentage exemption cannot exceed the estimated percentage of the additional demand placed on the public infrastructure improvements by the improvements exempted by the tax increment financing (TIF) exemption. However, a TIF ordinance/ resolution of a municipality, township, or county adopted on or after January 1, 2006 for an incentive district, cannot exempt more than 25 percent of the subdivision’s taxable value, if such subdivision has a population that exceeds 25,000. For a municipal or township TIF that

exceeds ten years or 75 percent exemption, the subdivision must notify the county commissioners who can object to the excess over ten years and 75 percent and negotiate for compensation for the eleventh and subsequent years of the exemption. For a county TIF, the county must notify the municipality and township in the same situation.

- (B) The amendments list six levies passed after January 1, 2006, whose revenue will not be distributed to the subdivision granting the TIF, but rather to the subdivision who enacted the levy (community mental retardation and developmental disabilities programs and services; providing or maintaining senior citizens services or facilities; county hospitals; alcohol, drug addiction, and mental health services; library purposes; and support of children’s services and the placement and care of children). The uncodified section provides that the amended TIF section provisions do not apply to existing TIF projects, if the TIF project agreements are completed on or before December 31, 2005, or bonds are issued for those projects on or before December 31, 2005.

Sub. H.B. 414, 125th General Assembly (effective May 18, 2005). R.C. 931.01-931.09, and 931.99:

The bill allowed for the creation of an agricultural security area (ASA) in the unincorporated area of a township or county to limit development within that area and provided for certain exemptions related to the ASA.

R.C. 931.02 — Basic Qualifications:

- (A) To get into an ASA, the property owner must apply, on a form prescribed by the Ohio Director of Agriculture, to the township trustees of each township and to the county commissioners of each county in which the land is located. The application must include a map of the proposed ASA containing certain aspects.
- (B) The land forming the ASA must meet the following criteria:
 - (1) the area consists of not less than 500 acres;
 - (2) the land is in an agricultural district under Ch. 929;
 - (3) the land is valued and assessed under the current agricultural use valuation (CAUV) program (land that is a portion of a farm on which is located a dwelling, yard, or outbuildings such as a barn or garage shall count toward the 500-acre requirement and be included in the ASA);
 - (4) the applications must be approved by all the boards of township trustees and all the boards of county commissioners of all the townships and all the counties in which the land is located.
- (C) Two or more owners of contiguous farmland may aggregate the land to satisfy the 500-acre requirement. Each owner may submit a separate application with the required map to all townships and counties involved, or all the owners collectively may submit one application for the entire ASA.
- (D) The application must contain a statement by the applicant that the applicant will not initiate or finance any new development for nonagricultural purposes within the ten-year enrollment period, except as authorized in R.C. 931.04(A) (see discussion below). New development includes transferring ownership of a property interest in the land. New development does not include taking any action authorized under property rights in the land, such as mineral rights or easements, that were transferred to a person other than the applicant before the application was submitted. New development also does not

include the construction or operation of transmission lines for electricity, gas, or oil, provided the construction or operation does not cause the land to become ineligible for CAUV purposes.

- (E) The application must include a listing of all administrative enforcement orders, and all civil and criminal actions during the ten years preceding the submission of the application in connection with any violation of environmental laws.
- (F) The application must contain a statement from a federal, state, or local conservation professional that the applicant is complying with best management practices at the time of the application.
- (G) The application submitted under this section is a public record.

R.C. 931.04 – Owner’s Options:

With approval of the appropriate township and county, an owner of land in an ASA may operate any business that does not impair the owner’s ability to engage in agriculture. An owner may transfer ownership of a portion of the land within the ASA to establish a single-family residence for an individual who is related by blood or marriage to the owner. Only one such residence shall be constructed per each 40 acres of the owner’s land within the ASA. The amount of land used for either of the two purposes mentioned above shall be included when determining the acreage requirement for the ASA.

R.C. 5709.28 – Real Property Tax Exemption:

- (A) “Qualifying agricultural real property” — means a building, structure, improvement, or fixture, used exclusively for agricultural purposes, located on land enrolled in an ASA, and having a true value of \$25,000 or more.
- (B) A percentage of the taxable value of qualifying agricultural real property (QARP) first appearing on the tax list in a tax year during which the land is enrolled in an ASA may be exempted from taxation. The board of township trustees of each township and the board of county commissioners of each county in which the land is located shall reach an agreement concerning the percentage of the QARP’s taxable value to be exempted and the number of years the exemption will apply. The exemption cannot exceed 75 percent and cannot apply to a year in which the land is not enrolled in an ASA. However, the agreement can specify that the exemption can extend past the expiration of the current ASA, if the ASA is renewed and enrollment continues during the tax years that the exemption applies. Moreover, the agreement may establish the maximum amount of value of the QARP that can be exempted. When the agreement is reached, the boards shall send written notice of the agreement to the superintendent of each school district within the ASA. The QARP will become exempt in the tax year following the year in which the construction is completed. The owner may subsequently request the applicable boards to alter the agreement and increase that maximum value. The agreement shall be reviewed annually by the tax incentive review council under R.C. 5709.85.
- (C) Each time a renewal application is filed for an ASA that involves QARP, whose exemption had expired on or before the date of expiration of the previous ASA, the applicable boards shall reach a new agreement concerning the exemption before any of the boards adopts a resolution either approving or rejecting the application.
- (D) An ASA application shall not be filed with the Tax Commissioner under R.C. 5715.27 with respect to the exemption. Rather, the county auditor

shall enter on the exempt list under R.C. 5713.07 any QARP that was exempted under this section. The auditor shall remove QARP from the exempt list when the auditor determines that a withdrawal, removal, or conversion has occurred that makes the QARP no longer eligible for exemption.

- (E) If the county auditor removes QARP from the exempt list because of a withdrawal, removal, or conversion under R.C. 931.08 for a taxpayer that claimed a real property tax exemption for a prior tax year, the amount of the tax otherwise imposed on the QARP that was exempted shall be increased. The amount of the increase shall equal the aggregate value of the tax exemption received by the taxpayer under this section since the ASA was most recently established or renewed, plus interest at the average bank prime rate determined under R.C. 929.02, at the time the county auditor removes the property from the exempt list.
- (F) If the auditor’s discovery or determination occurs before the auditor delivers the tax duplicate to the treasurer, the increase will occur in the same tax year as the discovery or determination. If the auditor’s discovery or determination occurs after the auditor delivers the tax duplicate to the treasurer, the increase will occur in the tax year following the year of discovery or determination.

R.C. 5709.85 – Tax Incentive Review Council:

Under division (C) of this section, the tax incentive review council will annually review an exemption agreement entered into under R.C. 5709.28. The council shall determine whether the agreement complies with requirements of R.C. 5709.28 and whether a withdrawal, removal, or conversion of land has occurred, which would make the property no longer eligible for the exemption.

Sub. H.B. 362, 125th General Assembly (effective March 31, 2005). R.C. 5705.192 and 5705.21, and Section 4:

The bill amended school district permanent improvement levies. First, the bill renames “general, ongoing permanent improvements” to “general permanent improvements.” Thus, an existing levy for “general, ongoing permanent improvements” can be renewed or replaced with a levy for “general permanent improvements,” since both expressions are considered to be stating the same purpose. Second, the bill specifically allows a school district to renew or replace an existing specific permanent improvement levy with a levy for general permanent improvements.

Section 3:

- (A) To mitigate the consequences of the decision in *Cleveland Clinic Foundation v. Wilkins*, 103 Ohio St.3d 382 (2004), the General Assembly enacted this amnesty-type provision. If an exemption application was dismissed because all the taxes, assessments, interest, and penalties that could not be remitted by the Tax Commissioner were not paid at the time the application was filed, the owner could have refiled by July 1, 2005 under this provision, allowing the Tax Commissioner to cover those years that he could have covered under the previously denied application.
- (B) For the Tax Commissioner to have jurisdiction over the refiled application, the owner must pay those unpaid taxes, assessments, interest, and penalties before refiling, attach the county treasurer’s

certificate to that application stating such payment was made, and attach the commissioner's final determination that dismissed the previous application to the refiled application. If the property is not now being used for an exempt purpose for the year the refiled application is filed (tax year 2005), the Tax Commissioner must deny the application, even if the property was used for an exempt purpose for the years covered by the previous application.

- (C) **Caveat:** As under permanent law, the Tax Commissioner can only exempt the current year (year of application) and three prior years on his own, which under this amnesty refiling would be tax years 2002 to 2005. However, for the Tax Commissioner to remit tax years 2001 and prior, the owner must get the consent from the subdivision or other taxing unit to which such taxes, assessments, interest, and penalties are owed. Non-action by the subdivision is deemed to be consent. If a subdivision wants to object and withhold its consent, it must have passed a resolution to that effect, on a form prescribed by the Tax Commissioner (DTE Form 23C), and filed it with the county auditor by February 15, 2005. The auditors notified the subdivisions of this option by January 15, 2005. After the Tax Commissioner issues a final determination for each of the eligible years covered by the refiled application, the auditor shall refund, remit, or abate the taxes for which consent has been given and shall distribute to the appropriate subdivisions or taxing units those taxes for which consent was withheld.

Sub. Senate Bill 165, 125th General Assembly (effective March 23, 2005). R.C. 725.04, 1728.11, 1728.111, 3735.671, 5709.631, and 5709.831:

These sections created liens for the service payments and service charges assessed in lieu of taxes for urban renewal, community urban redevelopment corporation, community reinvestment area, enterprise zone, and municipal, township, and county tax increment financing exemptions. These liens may be perfected, collected, and enforced by the granting legislative authority in the same manner as a mortgage lien on real property.

Sub. S.B. 102, 125th General Assembly (effective August 6, 2004). R.C. 4781.01 to 4781.15:

This new chapter created the Ohio Manufactured Homes Commission, which will regulate the installation of manufactured housing, including the licensing and training of the installers. The commission also has the exclusive power to determine the proper permanent foundation to which a manufactured or mobile home may be affixed.

Am. Sub. H.B. 135, 125th General Assembly (effective July 20, 2004).

This bill amended many sections in Chapter 5311 of the Ohio Condominium Law. These sections extensively change the practice and procedures for the development, conversion, and expansion of condominium property.

Am. Sub. H.B. 16, 126th General Assembly (effective May 6, 2005). R.C. 5709.75(D):

A township was permitted to expend unencumbered money in its township public improvement tax increment equivalent fund to pay for current public

safety expenses of the township if it meets the following conditions:

- (1) it expends such money on or before January 1, 2007;
- (2) it had adopted a tax increment financing (TIF) resolution under R.C. 5709.73(B) before January 1, 1995; and
- (3) it is a party to a hold-harmless agreement with the board of education of a city, local, or exempted village school district whereby the township agrees to compensate the school district for 100 percent of the tax revenue it would have received were it not for the TIF exemption. The township must reimburse the TIF equivalent fund for the money appropriated for public safety not later than the day the TIF exemption expires.

R.C. 5709.91:

Under this amendment, "minimum service payment obligations" become a lien on the land to be collected and enforced in the same manner as taxes on the land. A "minimum service payment obligation" is an obligation of a person to a county, township, or municipality pursuant to an agreement between them for the person to pay to the subdivision sufficient funds to finance public infrastructure improvements or housing renovations under a county, township, or municipal TIF exemption.

R.C. 5715.70:

A county board of revision may release a lien imposed on real property, if all the following apply:

- (1) the lien has been in existence for at least five years;
- (2) the lien represents a debt for the cost of environmental cleanup of the property paid with state or local government funds;
- (3) the amount of the lien is at least 12 times the fair market value of the property; and
- (4) the board determines the debt is uncollectible. The county treasurer will sign the release and deliver it to the property owner.

R.C. 5715.701:

The county recorder will discharge the lien under R.C. 5715.70 upon presentation of the release and keep the release in a separate book for that purpose. The recorder is entitled to fees for such recording.

Recent Significant Court Decisions:

Cleveland Clinic Foundation v. Wilkins, 103 Ohio St.3d 382 (2004). The Supreme Court held, in a unanimous decision, that R.C. § 5713.08 does not permit the Tax Commissioner to consider an exemption application that has attached to it a certificate of the county treasurer that shows unpaid special assessments.

The court summarized and interpreted the language in R.C. 5713.08(A)(1) as follows:

R.C. 5713.08(A)(1) requires all taxes, assessments, interest, and penalties to be paid in full at the time an application for exemption is filed, except for such taxes, interest, and penalties that may be remitted under R.C. 5713.08(B). Therefore, while taxes, interest, and penalties that may be remitted under R.C. 5713.08(B) need not be shown as paid in full on the treasurer's certificate, there is no comparable provision that assessments do not need to be paid in full. As a result, the treasurer's certificate submitted with the application for exemption must show the

assessments, interest, and penalties as being paid in full. If the assessments, interest, and penalties are not shown as being paid in full on the treasurer's certificate, the Tax Commissioner cannot consider the attached application for exemption.

Even though the case is decided on the issue of unpaid assessments, the same statutory procedures in R.C. 5713.08 that apply to assessments apply equally well to taxes, as indicated by the court's interpretation. In other words, all taxes, assessments, penalties, and interest that cannot be remitted must be paid in full or subject to a payment plan at the time the exemption is filed, and the county treasurer's certificate must so indicate, for the Tax Commissioner to have jurisdiction over the application.

Performing Arts School of Metropolitan Toledo v. Wilkins, 104 Ohio St.3d 284 (2004).

The Supreme Court opinion construes R.C. 5715.27 and presents two major holdings. The Performing Arts School (PAS) leases the property from Gomez Enterprises (Gomez), a for-profit limited partnership. In January 2000, the PAS filed an application for exemption with the Tax Commissioner. Gomez added its name to the PAS's application in September 2001.

1. Under R.C. 5715.27(A), the "owner" of real property may file an application for exemption with the Tax Commissioner. The term "owner" is not defined for purposes of R.C. 5715.27. The court stated that it had previously held in *Victoria Plaza Ltd. Liab. Co. v. Cuyahoga County Bd. of Revision*, 86 Ohio St.3d 181 (1999), that "only a holder of legal title owns real property for the purpose of standing to file a tax valuation complaint under R.C. 5715.19." The court said further:

In rejecting an argument analogous to that presented by PAS, we stated, "[T]o be the *owner* of real property, the person must hold legal title to the property, not simply an equitable interest in the property." . . . We concluded that "the owner of an equitable interest in real property does not have standing to file a complaint." . . . Though *Victoria Plaza* does not address the specific question at issue herein, it addresses the same term within the same chapter of the Revised Code. We choose to apply a consistent definition within R.C. Chapter 5715. Accordingly, "owner" as used in R.C. 5715.27 refers only to a legal title holder of the real property for which a tax exemption is sought.

2. Under R.C. 5715.27(F), an application for exemption must be filed prior to December 31 of the tax year for which exemption is requested. Since the property owner, Gomez, was not added to the PAS's application until September 2001, which was after the filing deadline for tax year 2000, the jurisdictional defect of lack of standing to file was not cured by the owner's joining the application.

Funtime, Inc. v. Wilkins, 105 Ohio St.3d 74 (2004).

The Supreme Court determined whether amusement-park rides were real or personal property under R.C. 5701.02 and 5701.03 for purposes of the sales and use tax provisions. The holding that the rides were personal property is also applicable to property taxation. R.C. 5701.02 defines real property to include "land itself . . . with all things contained therein, and, unless otherwise specified in this section or in 5701.03 . . . all buildings, structures, improvements, and fixtures of whatever kind on the land . . ."

Under R.C. 5701.03 personal property includes a business fixture, which "means an item of tangible personal property that has become permanently attached or affixed to the land or to a building, structure, or improvement, and that primarily benefits the business conducted by the occupant on the premises and not the realty."

The court rejected Funtime's approach, which contended that property could only be a business fixture, if it were not a structure, building, or improvement to a building. This would result in the property being classified as real property, even if it were otherwise specified as personal property in R.C. 5701.03.

The court outlined the order of application to harmonize the two statutes:

- (1) determine whether the property meets one of the definitions of real property in R.C. 5701.02;
- (2) if it does not, then it is personal property;
- (3) if it does, then it is real property, unless otherwise specified in R.C. 5701.03;
- (4) if it is otherwise specified in R.C. 5701.03, then it is personal property.

The court offers some guidance in determining whether a building, structure, or improvement primarily benefits the business conducted by the occupant on the premises or primarily benefits the realty. For the fixture to be taxed as real property and not as personal property being a business fixture, "the annexed chattel must have such relationship to the land or improvements already constructed thereon as to be necessary or beneficial to its enjoyment, independent of the business presently carried on." Examples given of such fixtures were a farm silo, a heating furnace in a residence, and motive-power equipment in a mill. "Those fixtures are taxed as real property because they would be beneficial, if not necessary, to the use of the land and the structures already placed thereon regardless of the nature of the business which might be located on such land." Regarding the amusement-park rides, the court stated: "There was no evidence that the rides would be of any benefit to a buyer of the land who engaged in a different business."

Case Western Reserve Univ. v. Wilkins, 105 Ohio St.3d 276 (2005).

The Supreme Court held that property owned by a university and leased to a sorority for the exclusive use of its members as student housing is not exempt from real property taxation under either R.C. 5709.12 and 5709.121 or R.C. 5709.07, since such use is neither a charitable nor an educational use of the property.

Ferrone v. Medina County Bd. of Revision, 105 Ohio St.3d 415 (2005).

The Supreme Court held that the county auditor's decision to tax forest land under R.C. 5713.23 by multiplying 50 percent of the forest land's value by 100 percent of the local tax rate produced the same result as multiplying the full value of forest land by 50 percent of the local tax rate, sought by Ferrone. Moreover, the court stated that the auditor's calculation "is just what the General Assembly intended under R.C. 5713.23, which calls for forest land to be taxed at 'fifty per cent of the local tax rate.'" Note: as a practical and constitutional matter, for the auditor to apply a uniform tax rate

to Ferrone's parcel, consisting of both forested and nonforested land, the auditor must first reduce the value of the forested part by 50 percent to get the result required by R.C. 5713.23.

City of Parma Heights v. Wilkins, 105 Ohio St.3d 463 (2005).

The Supreme Court held that a city-owned ice-skating rink that was leased to a for-profit entity was taxable because the \$60,000 annual rental fee was not de minimis, *a la Whitehouse v. Tracy*, 72 Ohio St.3d 178 (1995), and *Board of Educ. of South-Western City Schools v. Kinney*, 24 Ohio St.3d 184 (1986), and the city relinquished operation, management, and control.

Recent Rule Changes:

Effective November 18, 2004, rule 5703-25-08 of the Division of Tax Equalization was amended to provide blanket approval to a county auditor to appoint and employ experts, deputies, clerks, or other employees in the performance of the auditor's duties as assessor and to enter into assessment-related contracts that are not for appraisal services without seeking the Tax Commissioner's approval by application. Contracts for appraisal services must still be submitted to the Tax Commissioner for approval by application.

Effective November 18, 2004, rules 5703-25-55 and 5703-25-56 of the Division of Tax Equalization were amended to comply with statutory amendments enacted by Am. Sub. S.B. 142 (122nd General Assembly), Am. Sub. H.B. 672 (123rd General Assembly), and Am. Sub. H.B. 95 (125th General Assembly).

Recent Forms:

DTE form 23, Application for Real Property Tax Exemption and Remission, was revised in April 2005.

DTE form 23B, Complaint Against the Continued Exemption of Real Property from Taxation, was prescribed in April 2005.

DTE form 23C, A Resolution or Ordinance Withholding Consent for the Remission of Taxes, Penalties and Interest on an Application for Real

Property Tax Exemption Filed Under Section 3 of Sub. H.B. 362 of the 125th General Assembly, was prescribed in December 2004.

DTE form 24, Tax Incentive Program — Application for Real Property Tax Exemption and Remission, was revised in April 2005.

DTE form 24P, Tax Incentive Program — Power of Attorney for Real Property Tax Exemption Application, was prescribed in April 2005.

Recent Journal Entries and Memoranda:

Tax Commissioner's Journal Entry No. 04-08-0325 — Prescribes the form and content of the tax bill for manufactured and mobile homes for tax year 2005; entered August 24, 2004.

Tax Commissioner's Journal Entry No. 04-08-0324 — Prescribes the form and content of the real property tax bill for tax year 2004; entered August 24, 2004.

Tax Commissioner's Journal Entry No. 04-08-0326 — Prescribes the form and content of the county auditor's tax list and county treasurer's duplicate of real and public utility property for tax year 2004, and thereafter; entered August 24, 2004.

Memorandum — To all county auditors and treasurers, explaining the amendments enacted by Am. Sub. H.B. 168 (125th General Assembly) to property tax administration and tax certificate law, issued July 8, 2004.

Memorandum — To all county auditors and treasurers, notifying them of the newly created Ohio Manufactured Homes Commission, which will regulate the installation of manufactured housing, including licensing and training of the installers, issued August 4, 2004.

Memorandum — To all county auditors, explaining the renewal and replacement of property tax levies, issued June 6, 2005.

Table 1
Assessed Value of Taxable Real Estate, Taxes Charged, Average
Tax Rates, and Tax Relief,
Tax Years 2000 - 2004

	2000	2001	2002	2003	2004
Value of Taxable Property	\$167,857,657,350	\$173,975,282,762	\$186,756,854,520	\$196,583,301,381	\$202,591,836,961
Residential & Agricultural	127,327,060,770	132,036,957,842	142,544,497,300	151,127,413,080	156,078,137,391
Other (a)	40,530,596,580	41,938,324,920	44,212,357,220	45,455,888,301	46,513,699,570
Taxes Charged (b)	8,697,809,112	9,183,387,507	9,807,854,075	10,473,581,729	11,242,570,059
Residential & Agricultural	6,358,837,177	6,719,265,594	7,217,105,610	7,747,678,792	8,346,325,594
Other (a)	2,338,971,935	2,464,121,913	2,590,748,465	2,725,902,937	2,896,244,464
Average Effective Tax Rate (c)	51.82 mills	52.79 mills	52.52 mills	53.28 mills	55.49 mills
Residential & Agricultural	49.94 mills	50.89 mills	50.63 mills	51.27 mills	53.48 mills
Other (a)	57.71 mills	58.76 mills	58.60 mills	59.97 mills	62.27 mills
10% Reduction in all Real Property Taxes	\$869,714,189	\$906,944,834	\$984,682,415	\$1,047,877,702	\$1,122,563,687
2.5% Reduction in Homeowner's Real Property Taxes	121,318,800	128,186,729	138,287,112	149,435,621	160,466,814
Homestead Exemption Reduction (d)	<u>65,155,602</u>	<u>63,980,939</u>	<u>64,841,272</u>	<u>67,951,739</u>	<u>70,956,437</u>
Net Taxes Collectible (after 12.5% Reduction & Homestead Exemption)	\$7,641,620,520	\$8,084,275,006	\$8,620,043,276	\$9,209,719,664	\$9,888,583,121
(a) Includes commercial, industrial, mineral, and public utility property. (b) Net taxes charged after application of percentage reductions required by R.C. 319.301. (c) Taxes charged divided by value of taxable property. (d) These figures exclude those taxpayers that filed late for the tax reduction and the administrative fees associated with this program.					



Table 2
Gross and Net Tax Millage Rates on the Two Classes of Real Property, by County, Tax Year 2004

County	Residential & Agricultural		Public Utility, Commercial, Industrial & Mineral		County	Residential & Agricultural		Public Utility, Commercial, Industrial & Mineral	
	Gross Rate (a)	Net Rate (b)	Gross Rate (a)	Net Rate (b)		Gross Rate (a)	Net Rate (b)	Gross Rate (a)	Net Rate (b)
ADAMS	48.01	37.89	47.02	41.93	LOGAN	62.60	42.07	62.81	45.72
ALLEN	56.58	44.62	56.38	46.22	LORAIN	78.24	48.55	78.23	56.17
ASHLAND	73.58	45.52	76.10	53.62	LUCAS	98.77	57.06	96.09	72.57
ASHTABULA	75.94	50.21	76.91	56.56	MADISON	64.83	47.85	65.74	52.88
ATHENS	82.93	54.28	89.58	62.36	MAHONING	79.51	55.29	81.24	61.57
AUGLAIZE	60.61	43.74	61.23	50.71	MARION	65.86	44.28	67.20	50.38
BELMONT	62.03	42.03	61.16	44.66	MEDINA	91.33	48.56	91.58	50.70
BROWN	48.20	36.86	49.63	41.03	MEIGS	47.40	39.13	49.54	45.72
BUTLER	71.46	57.19	71.52	52.84	MERCER	57.43	48.86	57.10	52.16
CARROLL	54.33	38.87	55.25	41.35	MIAMI	69.04	43.39	69.01	47.88
CHAMPAIGN	59.92	40.00	67.28	47.02	MONROE	50.12	31.66	49.62	41.51
CLARK	69.06	47.80	69.01	53.03	MONTGOMERY	95.46	63.63	93.31	71.55
CLERMONT	85.41	52.58	84.12	56.43	MORGAN	51.02	35.47	52.37	40.66
CLINTON	53.77	38.77	52.91	46.34	MORROW	54.81	42.65	59.43	48.07
COLUMBIANA	57.42	41.16	58.47	44.01	MUSKINGUM	65.73	42.39	66.97	45.25
COSHOCTON	62.19	42.93	63.21	47.60	NOBLE	47.96	35.15	47.88	40.45
CRAWFORD	76.44	46.57	77.22	58.63	OTTAWA	68.92	37.55	66.35	41.43
CUYAHOGA	111.19	66.93	102.99	75.22	PAULDING	59.78	48.27	65.18	50.91
DARKE	49.41	36.90	51.56	40.83	PERRY	63.67	46.72	64.61	53.09
DEFIANCE	59.48	44.04	60.88	47.18	PICKAWAY	54.61	41.18	55.95	44.40
DELAWARE	76.67	52.22	79.02	54.32	PIKE	62.10	44.91	68.18	51.25
ERIE	80.91	42.92	83.41	55.25	PORTAGE	90.09	48.20	90.82	56.29
FAIRFIELD	81.55	44.70	84.13	44.73	PREBLE	53.20	40.79	55.34	43.51
FAYETTE	53.94	41.55	55.93	44.06	PUTNAM	50.34	41.63	48.65	44.39
FRANKLIN	99.48	61.22	94.86	67.76	RICHLAND	75.92	49.43	77.08	61.35
FULTON	73.05	48.90	70.50	50.86	ROSS	56.44	40.35	58.95	43.58
GALLIA	38.54	31.79	37.38	31.56	SANDUSKY	56.79	39.49	53.47	41.08
GAUGA	96.80	53.38	97.11	59.51	SCIOTO	59.10	43.16	61.90	45.92
GREENE	79.99	56.37	79.87	57.33	SENECA	62.90	41.17	67.09	56.19
GUERNSEY	58.86	46.94	60.54	51.54	SHELBY	59.33	43.88	60.96	48.82
HAMILTON	92.57	58.82	90.28	67.25	STARK	78.51	47.89	77.50	55.23
HANCOCK	59.13	38.52	60.13	49.49	SUMMIT	85.58	54.41	84.30	60.29
HARDIN	60.74	45.99	59.78	46.80	TRUMBULL	71.67	49.95	70.26	56.14
HARRISON	59.19	39.90	60.19	46.11	TUSCARAWAS	64.18	41.09	65.36	46.50
HENRY	71.29	52.42	72.57	66.39	UNION	72.06	52.10	73.67	59.73
HIGHLAND	45.94	37.45	45.65	39.09	VAN WERT	66.70	47.86	69.07	61.95
HOCKING	60.89	44.93	60.85	47.34	VINTON	46.22	43.09	48.43	46.12
HOLMES	53.81	43.04	54.01	45.91	WARREN	79.31	48.85	81.00	53.47
HURON	59.04	38.62	61.28	42.59	WASHINGTON	54.48	39.17	54.76	41.30
JACKSON	45.24	41.19	47.15	44.61	WAYNE	73.89	48.23	80.62	60.14
JEFFERSON	58.69	39.26	58.08	48.83	WILLIAMS	69.55	43.38	70.51	48.25
KNOX	63.79	46.41	60.19	49.89	WOOD	81.08	51.47	81.54	56.72
LAKE	91.18	50.66	88.84	59.71	WYANDOT	52.14	32.74	50.08	34.36
LAWRENCE	36.46	32.21	36.94	32.72					
LICKING	65.17	45.96	62.61	49.20					
	STATEWIDE AVERAGE (c)					84.22	53.48	85.76	62.27

(a) Rate on property prior to application of tax reduction factors. Gross rate equals taxes levied divided by taxable value.

(b) Rate on property in the county after application of tax reduction factors. These rates were computed prior to the deduction of the property tax rollbacks and homestead exemption. Net rate equals taxes charged divided by taxable value.

(c) For the two combined classes of real property, the statewide average gross rate is 84.19 mills and the statewide average net rate is 55.49 mills.

Source: Abstracts filed by county auditors with the Department of Taxation.

Table 3
Total Real Property Taxes, Values, and Effective Tax Rates, By County, Tax Year 2004

County	Taxable Value	Gross Taxes Levied	Taxes Charged(a)	Special Assessments	Effective Tax Rate(b)	County	Taxable Value	Gross Taxes Levied	Taxes Charged(a)	Special Assessments	Effective Tax Rate(b)
ADAMS	\$325,272,010	\$15,524,619	\$12,692,842	\$17,536	39.02	LOGAN	\$806,899,800	\$50,543,710	\$34,465,790	\$670,480	42.71
ALLEN	1,476,376,650	83,464,516	66,446,761	2,745,509	45.01	LORAIN	5,378,504,680	420,827,723	268,533,741	2,642,652	49.93
ASHLAND	765,339,440	56,603,894	35,783,834	35,742	46.76	LUCAS	7,594,741,500	745,167,861	462,004,819	28,768,223	60.83
ASHTABULA	1,417,788,540	107,930,911	72,917,503	2,225,690	51.43	MADISON	621,651,580	40,388,068	30,206,620	794,297	48.59
ATHENS	634,450,050	53,528,845	35,548,641	566,077	56.03	MAHONING	3,310,235,980	264,501,157	187,566,675	2,290,971	56.72
AUGLAIZE	683,441,470	41,495,206	30,778,580	734,122	44.96	MARION	838,596,280	55,455,255	38,143,400	952,044	45.48
BELMONT	787,861,230	48,692,559	33,644,444	208,865	42.70	MEDINA	3,866,541,600	353,269,730	189,075,939	2,232,635	48.90
BROWN	532,630,910	25,743,100	19,839,792	495,373	37.25	MEIGS	225,159,050	10,761,036	9,086,125	2,057	40.35
BUTLER	6,379,143,280	455,915,930	358,606,450	8,401,974	56.22	MERCER	631,003,710	36,210,154	31,088,570	584,489	49.27
CARROLL	429,372,160	23,371,794	16,807,489	16,959	39.14	MIAMI	1,773,400,230	122,420,007	78,389,282	1,132,350	44.20
CHAMPAIGN	587,009,080	35,702,828	23,988,711	58,375	40.87	MONROE	187,537,020	9,132,459	6,109,248	109,518	33.47
CLARK	2,043,178,610	141,087,231	99,871,367	412,334	48.86	MONTGOMERY	8,756,010,240	831,205,286	574,352,530	24,425,913	65.60
CLERMONT	3,339,934,710	284,323,209	178,435,733	3,184,995	53.42	MORGAN (c)	168,094,580	8,613,300	6,105,005	0	36.32
COLUMBIANA (c)	655,819,260	35,132,771	26,551,086	317,097	40.49	MORROW	474,691,320	26,209,117	20,467,631	161,888	43.12
COSHOCTON	478,900,810	29,887,328	21,031,307	36,578	43.92	NOBLE	141,205,410	6,770,418	5,057,428	1,520	35.82
CRAWFORD	568,733,540	43,545,212	27,568,980	139,112	48.47	OTTAWA	1,290,701,530	88,358,487	49,363,166	2,582,794	38.25
CUYAHOGA	27,219,908,800	2,962,290,281	1,886,903,716	40,113,392	69.32	PAULDING	246,216,740	14,902,274	11,974,935	412,119	48.64
DARKE	778,745,200	38,707,118	29,157,875	337,448	37.44	PERRY	338,199,180	21,568,924	16,043,853	53,423	47.44
DELANCE	537,183,530	32,086,437	23,959,062	802,082	44.60	PICKAWAY	776,137,020	47,537,545	32,333,060	179,669	41.66
DELAWARE	4,504,076,950	346,758,862	236,486,078	1,674,042	52.50	PIKE	233,082,640	14,712,988	10,716,253	20,322	45.98
ERIE	1,688,857,160	137,350,344	76,654,791	1,638,036	45.44	PORTAGE	2,788,321,250	251,574,967	138,659,033	1,478,645	49.73
FAIRFIELD	2,627,376,970	214,938,709	117,732,199	981,539	42.05	PREBLE	622,233,470	33,267,533	25,590,079	2,044,925	41.13
FAYETTE	421,709,690	22,912,518	17,732,310	947,528	42.05	PUTNAM	481,417,630	24,157,124	20,163,762	404,152	41.88
FRANKLIN	22,267,163,740	2,182,444,048	1,409,523,071	35,586,468	63.30	RICHARD	1,728,545,700	131,652,169	89,701,234	1,506,871	51.89
FULTON	723,684,910	52,520,360	35,663,739	948,502	49.28	ROSS	889,090,770	50,602,000	36,423,169	265,810	40.97
GALLIA	360,854,540	13,787,531	11,446,775	32,422	31.72	SANDUSKY	929,150,500	52,190,169	36,967,715	321,221	39.79
GEAUGA	2,504,162,800	242,482,081	135,284,611	1,697,980	54.02	SCIOTO	721,508,230	43,050,633	31,541,707	321,074	43.72
GREENE	2,925,244,160	233,931,406	165,429,725	1,870,316	56.55	SENECA	743,368,850	47,277,529	32,458,993	425,815	43.66
GUERNSEY	441,288,680	26,128,411	21,135,400	148,315	47.89	SHELBY	769,167,240	45,910,620	34,591,306	770,350	44.97
HAMILTON	16,220,760,940	1,490,948,548	993,178,953	43,970,893	61.23	STARK	6,175,985,640	483,594,744	305,053,764	298,450	49.39
HANCOCK	1,315,607,420	78,064,857	53,637,634	938,620	40.77	SUMMIT	10,744,120,150	916,365,564	598,801,598	1,978,201	55.73
HARDIN	354,077,150	21,455,139	16,324,831	985,930	46.11	TRUMBULL	2,892,550,290	206,513,218	147,961,754	19,155,610	51.15
HARRISON	174,431,730	10,352,925	7,136,393	26,756	40.91	TUSCARAWAS	1,396,211,240	89,945,571	58,930,968	1,289,215	42.21
HENRY	426,344,420	30,458,124	23,061,816	556,634	54.09	UNION	958,120,671	69,371,890	51,499,598	251,766	53.75
HIGHLAND	525,480,880	24,120,448	19,796,754	547,890	37.67	VAN WERT	375,520,900	25,163,206	18,668,868	793,146	49.71
HOCKING	420,539,100	25,606,504	19,010,547	40,894	45.21	VINTON	120,573,230	5,601,951	5,235,525	1,059	43.42
HOLMES (c)	616,062,910	33,174,657	26,844,294	0	43.57	WARREN	4,418,501,400	351,770,858	219,467,356	4,851,137	49.67
HURON	865,105,920	51,399,473	33,982,896	278,148	39.28	WASHINGTON	844,350,690	46,057,876	33,491,005	259,537	39.66
JACKSON	318,504,570	14,548,265	13,369,716	3,177	41.98	WAYNE	1,729,771,810	130,138,168	87,538,797	660,681	50.61
JEFFERSON	785,271,380	45,982,483	32,494,914	367,103	41.38	WILLIAMS	558,922,270	38,972,125	24,750,691	1,118,365	44.28
KNOX	852,863,490	54,006,657	39,965,774	848,698	46.86	WOOD	2,225,116,370	180,662,767	117,324,789	5,302,693	52.73
LAKE	5,464,239,340	495,402,076	287,678,019	8,493,568	52.65	WYANDOT	328,133,000	17,007,205	10,822,235	54,833	32.98
LAWRENCE	621,275,850	22,697,463	20,055,820	63,334	32.28						
LICKING	2,908,417,730	188,360,945	135,153,247	1,789,046	46.47	TOTAL	\$202,591,836,961	\$17,134,754,614	\$11,242,570,059	\$278,187,467	55.49

(a) Represents taxes charged after tax reduction factors are applied. The 10% rollback for all real property, 2.5% rollback for residential real property, and homestead exemption reduction have not been subtracted from this figure because they are fully reimbursed to the local governments and school districts from the state General Revenue Fund.

(b) Rates shown in mills equal taxes charged divided by taxable value.

(c) Counties which levied no special assessments.

Source: Abstracts filed by county auditors with the Department of Taxation.

Table 4 - Taxes Charged on Real Property, and Property Tax Relief, by County, Tax Year 2004^(a)

County	Taxes Charged(b)	10% Reduction(c)	Homestead Exemption Reduction(c)(d)	2.5% Reduction in Taxes of Homeowners(c)	Net Taxes Collectible(e)	County	Taxes Charged(b)	10% Reduction(c)	Homestead Exemption Reduction(c)(d)	2.5% Reduction in Taxes of Homeowners(c)	Net Taxes Collectible(e)
ADAMS	\$12,692,842	\$1,266,861	\$203,355	\$50,840	\$11,171,786	LOGAN	\$34,465,790	\$3,445,045	\$162,589	\$286,388	\$30,571,768
ALLEN	66,446,761	6,656,277	321,274	953,432	58,515,778	LORAIN	268,533,741	26,859,569	1,398,606	4,078,324	236,197,242
ASHLAND	35,783,834	3,562,430	264,521	553,142	31,403,741	LUCAS	462,004,819	45,930,828	3,142,940	6,997,168	405,933,883
ASHTABULA	72,917,503	7,273,580	834,259	894,333	63,915,332	MADISON	30,206,620	3,016,248	169,016	480,882	26,540,475
ATHENS	35,548,641	3,613,359	463,693	389,367	31,087,222	MAHONING	187,756,675	18,820,370	2,276,809	2,876,724	163,782,771
AUGLAIZE	30,728,580	3,069,673	128,675	446,563	27,083,669	MARION	38,143,400	3,815,779	418,408	547,903	33,361,310
BELMONT	33,644,444	3,365,901	675,712	436,535	29,166,297	MEDINA	189,075,939	18,938,748	850,650	3,371,026	165,915,515
BROWN	19,839,792	1,984,096	214,696	208,975	17,432,025	MEigs	9,086,125	906,102	192,182	78,578	7,909,263
BUTLER	358,606,450	31,502,015	1,218,184	4,333,205	321,553,046	MERCER	31,088,520	3,107,230	154,825	413,010	27,413,455
CARROLL	16,807,489	1,682,718	185,697	203,978	14,735,096	MIAMI	78,389,282	7,846,920	489,344	1,138,610	68,912,408
CHAMPAIGN	23,988,711	2,408,627	180,970	239,360	21,159,754	MONROE	6,109,248	612,756	111,988	53,202	5,331,302
CLARK	99,821,367	9,990,564	875,203	1,411,170	87,544,430	MONTGOMERY	574,352,530	57,338,400	3,964,500	8,401,932	504,647,698
CLERMONT	178,435,733	18,049,004	667,581	2,690,385	157,028,763	MORGAN	6,105,005	609,750	116,607	51,113	5,327,536
CLINTON	26,551,086	2,906,214	116,007	320,381	23,208,484	MORROW	20,467,631	2,041,916	158,009	249,540	18,018,165
COLUMBIANA	56,855,013	5,677,084	818,005	715,291	49,644,634	MUSKINGUM	50,073,650	5,009,410	635,970	646,684	43,781,586
COSHOC	21,031,307	2,095,778	207,221	224,891	18,503,417	NOBLE	5,057,428	508,293	99,329	54,021	4,395,785
CRAWFORD	27,568,980	2,763,792	421,138	307,573	24,076,476	OTTAWA	49,363,166	4,929,273	227,222	291,415	43,915,256
CUYAHOGA	1,886,903,716	186,500,192	14,134,332	27,584,628	1,658,684,563	PAULDING	11,974,935	1,196,098	157,430	97,824	10,523,583
DARKE	29,157,875	2,907,253	248,811	354,285	25,647,526	PERRY	16,043,853	1,604,935	325,348	250,180	13,863,389
DEFIANCE	23,959,062	2,401,936	151,428	375,517	21,030,181	PICKAWAY	32,333,060	3,251,172	166,392	438,778	28,476,717
DELAWARE	236,486,078	24,625,732	265,841	4,137,524	207,456,981	PIKE	10,716,253	1,072,191	236,630	131,875	9,275,557
ERIE	76,654,791	7,653,691	469,502	1,099,722	67,431,875	PORTAGE	138,659,033	13,837,210	702,466	1,752,799	122,366,558
FAIRFIELD	117,241,199	11,844,036	571,963	1,640,265	103,184,935	PREBLE	25,590,029	2,552,604	216,721	397,726	22,422,978
FAYETTE	17,732,310	1,859,234	141,329	234,923	15,496,825	PUTNAM	20,163,762	2,044,514	111,948	342,653	17,664,648
FRANKLIN	1,409,523,071	144,038,461	4,286,113	19,001,716	1,242,196,781	RICHARD	89,701,234	8,938,301	967,619	1,284,896	78,510,419
FULTON	35,663,739	3,568,599	202,389	555,201	31,337,550	ROSS	36,423,169	3,641,335	426,506	438,847	31,916,481
GALLIA	11,446,775	1,145,477	183,810	97,808	10,019,681	SANDUSKY	36,967,715	3,690,448	280,236	567,638	32,429,393
GEAUGA	135,284,611	13,525,176	439,148	2,266,256	119,054,032	SCIOTO	31,541,707	441,816	3,142,065	878,228	27,079,597
GREENE	165,429,725	16,559,366	447,095	2,347,389	146,075,875	SENECA	32,458,993	3,228,878	262,444	421,104	28,546,567
GUERNSEY	21,135,400	2,113,282	294,962	233,656	18,493,500	SHELBY	34,591,306	3,461,146	180,637	376,439	30,573,084
HAMILTON	993,178,953	102,929,821	3,162,374	14,308,803	872,777,954	STARK	305,053,764	30,529,258	2,195,625	4,620,484	267,708,397
HANCOCK	53,637,634	5,492,149	228,945	827,348	47,089,191	SUMMIT	598,801,598	59,288,135	4,201,901	8,753,183	526,558,379
HARDIN	16,324,831	1,633,528	145,587	205,616	14,340,100	TRUMBULL	147,961,754	14,795,878	1,884,964	1,972,301	129,308,612
HARRISON	7,136,393	716,023	153,074	71,871	6,195,424	TUSCARAWAS	58,930,968	5,909,589	653,531	733,936	51,633,913
HENRY	23,061,816	2,309,220	149,646	294,636	20,308,315	UNION	51,499,598	5,135,446	144,651	600,694	45,618,807
HIGHLAND	19,796,754	1,971,628	235,488	167,690	17,421,948	VAN WERT	18,668,868	1,876,116	185,387	259,822	16,347,543
HOCKING	19,010,547	1,915,598	184,652	259,106	16,651,191	VINTON	5,235,525	523,485	121,800	54,762	4,535,478
HOLMES	26,844,294	2,696,025	88,701	243,663	23,815,905	WARREN	219,467,356	21,977,403	500,363	3,709,714	193,279,875
HURON	33,982,896	3,397,189	275,096	528,972	29,781,639	WASHINGTON	33,491,005	3,341,527	321,085	401,249	29,427,144
JACKSON	13,369,716	1,337,030	291,784	78,273	11,662,629	WAYNE	87,538,797	8,766,803	456,399	1,185,909	77,129,687
JEFFERSON	32,494,914	3,242,742	662,982	420,027	28,169,163	WILLIAMS	24,750,691	2,472,377	195,774	359,821	21,722,719
KNOX	39,965,774	4,066,683	278,597	501,864	35,116,631	WOOD	117,324,789	11,786,157	391,192	1,512,536	103,634,904
LAKE	287,678,019	28,535,186	1,341,853	4,148,173	253,652,807	WYANDOT	10,822,235	1,082,012	191,758	123,626	9,524,840
LAWRENCE	20,055,820	1,989,135	614,241	255,993	17,196,451						
LICKING	135,153,247	13,537,852	420,635	2,162,927	119,031,833	TOTAL	\$11,242,570,059	\$1,122,563,687	\$70,956,437	\$160,466,814	\$9,888,583,121

(a) Taxes charged in tax year 2004 and collected or reimbursed in tax year 2005. (d) Reduction is applied to residential and agricultural property not exceeding one acre.
 (b) Net taxes charged after application of percentage reductions required by R.C. 319.301 (e) County figures may not add to total due to rounding.
 (c) Estimated figures.

Source: Abstracts filed by county auditors and records of the Department of Taxation.

Table 5
Assessed Valuation of Exempt Real Property, by Ownership
Classifications,
Tax Years 2000 - 2004
(figures in millions)

Property Under Public Ownership	2000	2001	2002	2003	2004
Boards of Education	\$4,229.0	\$4,361.8	\$4,701.3	\$5,019.3	\$5,239.0
Municipalities	3,838.1	3,981.9	4,218.9	4,413.1	4,497.2
State	2,736.3	2,760.3	2,781.8	2,915.6	2,984.6
Counties	1,672.2	1,860.8	1,977.2	2,070.6	2,235.9
United States	1,409.9	1,425.8	1,259.7	1,568.9	1,578.7
Park Districts	384.8	406.8	470.3	489.4	497.3
Townships	192.2	204.3	251.7	238.9	249.5
Total	\$14,462.5	\$15,001.8	\$15,660.9	\$16,715.9	\$17,282.2
Property Under Private Ownership	2000	2001	2002	2003	2004
Tax Abatements	\$3,905.4	\$4,364.8	\$5,169.9	\$5,501.7	\$5,679.1
Charities	2,974.5	3,102.5	3,435.3	3,556.9	3,693.1
Churches	2,925.2	3,008.3	3,215.7	3,339.6	3,431.0
Schools and Colleges	2,052.4	2,136.4	2,549.0	2,631.7	2,743.0
Cemeteries	219.3	213.6	208.6	213.2	213.3
Total	\$12,076.8	\$12,825.7	\$14,578.5	\$15,243.1	\$15,759.5
Grand Total*	\$27,145.2	\$28,431.7	\$30,884.3	\$32,610.8	\$33,688.6
* Includes other tax-exempt organizations (e.g., metropolitan housing authorities, volunteer fire departments, etc.) not included in any of the listed categories.					
Source: Exempt real property abstracts filed by county auditors with the Department of Taxation.					



Table 6
Assessed Valuation of Exempt Real Property Compared to Total
Assessed Real Valuation,
By County, Tax Year 2004

County	Assessed Value of Taxable Real Property	Assessed Value of Exempt Real Property	Percent of Tax Base Exempt from Taxation	County	Assessed Value of Taxable Real Property	Assessed Value of Exempt Real Property	Percent of Tax Base Exempt from Taxation
ADAMS	\$325,272,010	\$45,733,210	14.06%	LOGAN	\$806,899,800	\$102,021,730	12.64%
ALLEN	1,476,376,650	228,354,990	15.47	LORAIN	5,378,504,680	704,144,720	13.09
ASHLAND	765,339,400	122,208,200	15.97	LUCAS	7,594,741,500	1,265,730,650	16.67
ASHTABULA	1,417,788,540	173,131,310	12.21	MADISON	621,651,580	136,764,170	22.00
ATHENS	634,450,050	273,365,010	43.09	MAHONING	3,310,235,980	444,081,720	13.42
AUGLAIZE	683,441,470	87,344,010	12.78	MARION	838,596,280	156,397,250	18.65
BELMONT	787,861,230	138,907,300	17.63	MEDINA	3,866,541,600	316,322,340	8.18
BROWN	532,630,910	51,790,350	9.72	MEIGS	225,159,050	25,097,930	11.15
BUTLER	6,379,143,280	1,037,757,360	16.27	MERCER	631,003,710	91,121,124	14.44
CARROLL	429,372,160	28,790,190	6.71	MIAMI	1,773,400,230	241,568,170	13.62
CHAMPAIGN	587,009,080	55,252,110	9.41	MONROE	182,537,020	21,742,970	11.91
CLARK	2,043,178,610	264,832,210	12.96	MONTGOMERY	8,756,010,240	1,633,250,650	18.65
CLERMONT	3,339,934,710	360,358,920	10.79	MORGAN	168,094,580	19,400,500	11.54
CLINTON	655,819,260	87,197,830	13.30	MORROW	474,691,320	37,036,990	7.80
COLUMBIANA	1,365,948,720	189,895,850	13.90	MUSKINGUM	1,164,021,180	229,839,640	19.75
COSHOCTON	478,900,810	54,879,030	11.46	NOBLE	141,205,410	33,986,040	24.07
CRAWFORD	568,733,540	46,724,060	8.22	OTTAWA	1,290,701,530	97,684,760	7.57
CUYAHOGA	27,219,908,800	5,086,649,550	18.69	PAULDING	246,216,740	36,491,680	14.82
DARKE	778,745,200	80,805,370	10.38	PERRY	338,199,180	64,103,450	18.95
DEFIANCE	537,183,530	76,965,020	14.33	PICKAWAY	776,137,020	144,146,420	18.57
DELAWARE	4,504,076,950	683,424,810	15.17	PIKE	233,082,640	273,869,960	117.50 *
ERIE	1,686,857,160	164,507,760	9.75	PORTAGE	2,788,321,250	617,788,280	22.16
FAIRFIELD	2,622,376,970	237,040,600	9.04	PREBLE	622,233,470	52,559,560	8.45
FAYETTE	421,709,690	45,275,830	10.74	PUTNAM	481,417,630	86,480,610	17.96
FRANKLIN	22,267,163,740	4,912,167,980	22.06	RICHLAND	1,728,545,700	270,623,550	15.66
FULTON	723,768,910	174,512,910	24.11	ROSS	889,090,770	199,668,700	22.46
GALLIA	360,854,540	83,820,180	23.23	SANDUSKY	929,150,500	166,842,000	17.96
GEAUGA	2,504,162,800	176,025,940	7.03	SCIOTO	721,508,230	225,980,570	31.32
GREENE	2,925,244,160	741,195,280	25.34	SENECA	743,368,850	105,720,330	14.22
GUERNSEY	441,288,680	113,962,270	25.82	SHELBY	769,167,240	86,757,370	11.28
HAMILTON	16,220,760,940	3,495,869,700	21.55	STARK	6,175,985,640	911,366,900	14.76
HANCOCK	1,315,607,420	179,620,460	13.65	SUMMIT	10,744,120,150	1,436,313,970	13.37
HARDIN	354,077,150	55,490,770	15.67	TRUMBULL	2,892,550,290	362,158,070	12.52
HARRISON	174,431,730	22,204,500	12.73	TUSCARAWAS	1,396,211,240	145,283,860	10.41
HENRY	426,344,420	52,205,760	12.24	UNION	958,120,671	71,224,920	7.43
HIGHLAND	525,480,880	55,908,690	10.64	VAN WERT	375,520,900	49,210,840	13.10
HOCKING	420,539,100	61,696,090	14.67	VINTON	120,573,230	20,889,780	17.33
HOLMES	616,062,910	40,145,230	6.52	WARREN	4,418,501,400	600,745,290	13.60
HURON	865,105,920	107,828,310	12.46	WASHINGTON	844,350,690	136,070,190	16.12
JACKSON	318,504,570	64,639,320	20.29	WAYNE	1,729,771,810	303,141,170	17.52
JEFFERSON	785,271,380	129,905,210	16.54	WILLIAMS	558,922,270	86,108,190	15.41
KNOX	852,863,490	150,680,710	17.67	WOOD	2,225,116,370	488,930,130	21.97
LAKE	5,464,239,340	473,131,990	8.66	WYANDOT	328,133,000	27,570,860	8.40
LAWRENCE	621,275,850	111,107,390	17.88				
LICKING	2,908,417,730	339,020,640	11.66	Total	\$202,591,836,961	\$33,688,568,214	16.63%

* The exempt percentage in Pike County is over 100% because of the higher value of exempt property in the county. This is primarily due to the federal uranium enrichment plant in Piketon.

Source: Abstracts filed by county auditors with the Department of Taxation.

Table 7
Number of Homestead Exemptions Granted, Average Reduction
in Taxable Value, and Total Reduction in Taxes, by County,
Tax Year 2003

County	Number of Homestead Exemptions Granted(a)	Average Reduction in Taxable Value(a)	Total Reduction in Real Property Taxes(b)	County	Number of Homestead Exemptions Granted(a)	Average Reduction in Taxable Value(a)	Total Reduction in Real Property Taxes(b)
ADAMS	1,010	\$3,981	\$199,918	LOGAN	671	\$3,817	\$165,287
ALLEN	1,425	3,905	323,211	LORAIN	4,415	3,977	1,439,945
ASHLAND	869	3,844	235,044	LUCAS	9,228	3,531	3,289,454
ASHTABULA	2,833	3,957	876,136	MADISON	625	4,100	168,303
ATHENS	1,566	3,882	460,243	MAHONING	7,923	3,817	2,374,271
AUGLAIZE	610	3,540	127,480	MARION	1,571	4,045	427,226
BELMONT	2,814	3,900	678,246	MEDINA	2,489	3,586	807,247
BROWN	1,094	3,889	212,969	MEIGS	1,093	3,609	192,834
BUTLER	4,441	4,011	1,225,492	MERCER	709	3,796	147,167
CARROLL	860	3,896	183,449	MIAMI	1,932	3,839	499,442
CHAMPAIGN	784	3,882	198,353	MONROE	560	4,048	111,172
CLARK	2,987	3,991	898,398	MONTGOMERY	10,970	3,854	3,977,303
CLERMONT	2,211	3,941	661,258	MORGAN (c)	537	3,785	112,319
CLINTON	554	3,875	121,459	MORROW	709	3,863	155,957
COLUMBIANA	3,564	3,950	841,872	MUSKINGUM	2,455	4,118	675,006
COSHOCTON	824	3,868	203,646	NOBLE	557	3,841	102,359
CRAWFORD	1,307	3,951	416,903	OTTAWA	854	3,624	225,758
CUYAHOGA	33,987	3,886	13,744,710	PAULDING	384	3,932	96,624
DARKE	1,267	3,736	252,001	PERRY (d)	1,460	3,698	321,972
DEFIANCE	680	3,765	156,984	PICKAWAY	663	3,846	168,455
DELAWARE (c)	770	3,689	230,768	PIKE	1,008	3,823	227,158
ERIE	1,523	3,889	502,380	PORTAGE	2,066	3,706	700,967
FAIRFIELD	2,072	3,980	576,983	PREBLE	1,029	4,038	236,530
FAYETTE	607	4,216	150,003	PUTNAM	561	3,869	114,425
FRANKLIN	11,045	3,984	4,097,937	RICHLAND	2,848	4,047	988,126
FULTON	712	3,791	204,888	ROSS	1,958	3,841	413,608
GALLIA	1,225	3,931	190,496	SANDUSKY	1,302	3,703	276,298
GEAUGA	1,247	3,697	429,577	SCIOTO	3,506	4,159	884,755
GREENE	1,664	3,764	438,687	SENECA	1,061	3,849	259,019
GUERNSEY	1,354	3,709	299,562	SHELBY	808	3,834	184,057
HAMILTON	9,465	3,845	3,431,654	STARK	7,377	3,908	2,106,455
HANCOCK	894	3,934	211,181	SUMMIT	12,795	3,978	4,286,228
HARDIN	595	4,131	145,460	TRUMBULL	6,384	4,093	1,876,642
HARRISON	669	3,869	156,964	TUSCARAWAS	2,599	4,012	660,883
HENRY	565	3,684	143,271	UNION	539	3,805	154,518
HIGHLAND	1,307	3,965	247,398	VAN WERT	670	4,079	188,147
HOCKING	783	3,842	187,096	VINTON	664	4,046	120,304
HOLMES	392	3,875	91,217	WARREN	1,744	3,443	490,817
HURON	1,456	3,147	278,901	WASHINGTON	1,613	3,694	321,981
JACKSON	1,500	4,348	314,105	WAYNE	1,743	3,766	451,626
JEFFERSON	3,011	3,992	675,580	WILLIAMS	705	3,932	197,206
KNOX	1,006	4,035	274,230	WOOD	1,506	3,704	437,634
LAKE	3,815	3,782	1,303,822	WYANDOT	459	3,819	95,650
LAWRENCE	3,875	4,295	602,246				
LICKING	1,846	4,036	420,873	TOTAL	223,835	\$3,890	\$68,754,186

(a) Compiled from surveys of county auditors conducted by the Department of Taxation.

(b) From distribution records of the Revenue Accounting Division of the Department of Taxation. These figures include those taxpayers that filed late for the tax reduction and exclude the administrative fees associated with this program.

(c) The figures in the first two columns are tax year 2002 data; this county did not submit data for tax year 2003.

(d) The figures in the first two columns are tax year 2000 data; this county did not submit data for tax years 2001, 2002, or 2003.

Source: Surveys filed with the Department of Taxation by county auditors.