Real Property – Manufactured Home Tax

Overview. State law establishes a tax on manufactured and mobile homes. The tax is computed and assessed by the county auditor where the manufactured home is located and is paid to and collected by the treasurer of the same county. In calendar year 2019, approximately $30.8 million in tax was levied on 190,265 manufactured homes in Ohio.

Taxpayer (R.C. 4503.05, 4503.06, and 4503.061). The tax is paid by all owners of manufactured and mobile homes sitused on real property in Ohio and used as a residence.

Tax Base (R.C. 4501.01, 4503.06 and 3781.06). A manufactured home is a building unit that is fabricated off-site and constructed pursuant to the "Manufactured Housing Construction and Safety Standards Act of 1974", and that has a permanent label certifying compliance with all applicable federal construction and safety standards. The federal definition of a manufactured home is a structure, transportable in one or more sections, which in traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is at least three hundred twenty or more square feet, and which is on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to utilities. A mobile home is a building unit or assembly of closed construction that is fabricated in an off-site facility, is more than thirty-five feet in length or, when erected on site, is three hundred twenty or more square feet, is built on a permanent chassis, is transportable in one or more sections, and does not qualify as a manufactured home.

The tax base is calculated based on one of two methods. For manufactured or mobile homes first sitused in Ohio before Jan. 1, 2000, the assessed value is 40 percent of the amount calculated 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 2 schedules). For homes first sitused in Ohio (or transferred on or after) Jan. 1, 2000, the assessed value is 35 percent of true value consistent with the property tax on real property. Owners whose manufactured or mobile homes were sitused in Ohio before Jan. 1, 2000, may elect to have their home taxed in this manner rather than the depreciation method. When a home is affixed to real property by a foundation, the property becomes subject to the property tax on real property.

Tax Rates (R.C. 4503.06). Rates vary according to the property tax levies in effect for the taxing district in which the home is sitused. The effective rate charged depends on the method of assessment described above. For homes assessed using the depreciation method, the tax is based on the gross local rate with a minimum tax of $36 per year, or no minimum tax if the home owner qualifies for the homestead exemption. Please see the **Real Property** section for homestead exemption details.

Tax Exemptions, Deductions, and Credits (R.C. 4503.06). The tax does not apply when a manufactured or mobile home is:

- part of the inventory of a new motor vehicle dealer, manufacturer, remanufacturer, or distributor;
- a travel trailer not exceeding 35 feet in length.
- licensed in another state, unless located in Ohio for more than 30 days in any calendar year.
- taxed as real property.
- exempt from taxation under Chapter 5709 of the R.C.
- is a travel trailer or park trailer and is unsued or unoccupied and stored at the owner's residence or a recognized storage facility.

Filing and Payment Dates (R.C. 4503.06). When the manufactured home is in Ohio on January 1 of a year, one-half of the tax is due by March 1 of that year with the balance due by July 31.

Distribution of Revenue (R.C. 4503.06). Revenue is distributed to the taxing subdivision of each county in the same manner as other taxes from real property. However, 4 percent is retained by the county auditor and 2 percent by the county treasurer as reimbursement for administrative costs.

History of Major Changes.

1920	Separate license taxes enacted for motorcycles, passenger cars, and commercial vehicles. Trailers are taxed as commercial vehicles, at 20 cents per 100 lbs. of gross weight or fractional part thereof.
1949	An $18 a year annual house trailer tax levied effective March 1, 1951.
1961	House trailer tax enacted as an ad valorem tax. Starting in 1962, house trailers were to be valued at 40 percent of cost or market value at the time of purchase, whichever is greater, less a depreciation percentage. A minimum tax of $18 applied.
1963	Legislature enacts a second depreciation schedule for house trailers that are purchased unfinished.
1969	Depreciation schedule allowances increased.
1980	Taxes owed must be collected before a certificate of title is issued.
1986	Homestead exemption extended to qualifying owners of manufactured homes.
1999	Manufactured homes must be taxed like real property when first located in Ohio or when ownership is transferred on or after Jan. 1, 2000. These homes remain on the manufactured home tax list but the same rates and credits that apply to residential real property apply to manufactured homes. Manufactured homes sitused in Ohio prior to this data may elect to be taxed like real property. Used manufactured homes subject to transfer fees and taxes beginning on that data. Owners are required to obtain relocation notice from county auditor and pay outstanding taxes before moving manufactured home.
2003	Manufactured home park owners are allowed to remove abandoned homes from the park and sell or destroy them.
2004	Ohio Manufactured Homes Commission established to regulate the installation of manufactured housing in Ohio including the affixing of a manufactured home to a permanent foundation before such home can be converted to real property.
2017	H.B. 49 abolished the Manufactured Homes Commission and transferred all its duties to the Department of Commerce.

Property Tax – Public Utility Property

Overview. This chapter deals with property taxes levied on the tangible personal property of public utilities. Public utility personal property is the only personal property remaining subject to taxation in Ohio because of changes enacted by the Ohio General Assembly in 2005. This chapter also touches on the taxation of public utility real property, since the Ohio Department of Taxation has a role in assessing certain real property of railroads. However, tables showing the taxes paid on public utility real property are in the **Property Tax - Real Property** chapter.

The assessed value of public utility personal property was approximately $25.2 billion during tax year 2019. Electric utilities comprised approximately 55 percent of total public utility personal property value during 2019 and the pipeline industry accounted for about 37 percent. Revenue from the public utility property tax amounted to about $2.0 billion during calendar year 2019. This revenue was distributed to counties, municipalities, townships, school districts, and special districts per locally levied millage.

Taxpayer (R.C. 5727.06). Public utilities subject to taxation on their tangible personal property include electric, rural electric, energy, natural gas, pipeline, waterworks, water transportation, and heating companies.

Tax Base (R.C. 5715.01, 5727.01, 5727.06, 5727.10 - .12, 5727.14-.15). For most public utilities, the personal property tax base consists of all tangible personal property owned and located in Ohio on December 31st of the preceding year. The exceptions:

- For water transportation companies, the tax base consists of all tangible personal property, except watercraft owned or operated in Ohio on Dec. 31st of the preceding year and all watercraft owned or operated by the water company in Ohio during the preceding calendar year.
- Railroad property is valued according to the unitary method described under **Determining True Value** below.

Listing Percentages (R.C. 5727.111). The percentage of true value at which personal property is listed for taxation varies based on the type of public utility. The percentages are as follows:

Public Utility	Assessment Percentage
Electric Companies	
Taxable transmission and distribution property and energy conversion equipment	85%
All other taxable propery	24%
Energy Companies	
Taxable production equipment	24%
All other taxable property	85%
Rural Electric Companies	
Taxable transmission and distribution property and energy conversion equipment	50%
All other taxable property	25%
Heating and pipeline companies	88%
Natural gas, waterworks[1], and water transportation companies	25%

[1]The assessment percentage is 88% for taxable personal property first subject to taxation in Ohio before tax year 2017.

The above table does not apply to real property. Personal property includes all plant and equipment either owned or leased by the utility under a sale-lease back agreement and not classified as real property or intangible property.

Determining True Value (R.C. 5727.11). For most public utility personal property, true value is the capitalized cost less the composite annual allowances, which vary according to the actual age and expected life of the property.

Exceptions (R.C. 5727.11, 5727.12, 5727.14). The true value of electric company production equipment and all taxable property of a rural electric company is 50 percent of capitalized cost, except for the production equipment of electric or rural electric or energy companies purchased, transferred or sold after October 5, 1999. The true value of production equipment purchased, transferred or sold after this date is the capitalized cost on the books and records, less composite annual allowances.

The true value of current gas (gas available for market) stored underground is the monthly average value of such gas in the preceding tax year. The true value of non-current gas (gas not available for market that provides pressure for cycling current gas) stored underground is 35 percent of the cost of that gas shown on the books and records of the public utility on the 31st day of December of the preceding year.
To determine the true value of railroad real property used in railroad operations, the unitary method is used to value the company's entire railroad system property. The value is apportioned to Ohio in the proportion that the length of track in this state bears to the whole length of track. The value of railroad real property not used in operations is assessed by county auditors using the normal means of valuing such property.

Apportionment of Value (R.C. 5727.15). Real property values of all utilities except railroads are assigned to local taxing districts throughout Ohio according to the physical location of the property. The taxable personal property values of all utilities are apportioned among the taxing districts as follows:

- Natural gas, heating, pipeline, water works, rural electric, and water transportation companies: taxable value is apportioned according to the cost of all taxable personal property physically located in each taxing district as a proportion of the total cost of all such taxable personal property physically located in the state.
- Electric and energy companies: for production equipment, the total taxable value is apportioned to the taxing district in which the property is physically located.
- For all other electric and energy company property, the taxable value is apportioned according to the cost of this property physically located in each taxing district as a proportion of the total cost of all such taxable personal property physically located in the state.

Tax Rates (R.C. 319.30, 319.301, 5705.02 – .05, 5705.19). Tax rates vary by taxing jurisdiction. The total tax rate is the sum of all levies enacted by legislative authority or approved by voters for all taxing jurisdictions in which the property is located or to which it is apportioned. Examples of taxing jurisdictions include counties, townships, municipal corporations, school districts, joint vocational school districts, and special service districts. These total rates, or gross tax rates, apply to personal property. For real property, the application of tax reduction factors according to R.C. 319.301, commonly known as "House Bill 920," results in lower "effective" tax rates. For details on tax reduction factors, see the section on credits in the Property Tax – Real Property chapter.

Exemptions and Credits (R.C. 319.302, 5701.03, 5709.111, 5709.25, 5709.61, 5727.01, 5727.05, 5727.11, 5727.75). The following types of public utility property are exempt:

- municipally owned utilities;
- certified air, water and noise pollution control facilities;
- licensed motor vehicles;
- real and tangible personal property exempted from taxation under an enterprise zone agreement;
- tangible personal property under construction; and
- real and personal property of nonprofit corporations and political subdivisions used exclusively in the treatment, distribution and sale of water to consumers.

An allowance is available for funds used during construction and interest used during construction. This does not apply to electric company and rural electric company property, except transmission and distribution property first placed into service after December 31, 2000. It also does not apply to the taxable property a person purchases, which includes transfers, if that property was used in business by the seller prior to the purchase.

Renewable energy facilities that are not financed through the Ohio Air Quality Development Authority can be exempt from the tangible personal property tax if certified by the Director of the Development Services Agency as a "qualified energy project." Such a facility will require a payment in lieu of taxes based on each megawatt of production capacity. To be certified as a "qualified energy project," among other requirements, energy must be produced by January 1, 2024 (or January 1, 2021 for nuclear, clean coal and cogeneration projects).

Reporting, Certification, and Payment Dates (R.C. 323.12, 323.17, 5727.08, 5727.10, 5727.23, 5727.48). Annual reports are due by March 1, but the Tax Commissioner may grant an extension of up to 30 days. The Tax Commissioner notifies utilities and county auditors of values on or before the first Monday in October. Tax payments, which are made to the county treasurer, are due according to the same first- and second-half due dates for real property taxes. According to statute, at least one half of a real property tax bill is due by December 31, with the balance due by June 20. In practice, these deadlines may be extended by 45 days, or even longer in certain circumstances, on a county-by-county basis.

Disposition of Revenue (R.C. 319.54, 321.24, 321.26 –.261, 321.31, 321.34). After local administrative deductions, revenue is distributed to counties, municipalities, townships, school districts and special districts according to the taxable values and total millage levied by each.

History of Major Changes.

1910	The newly created Tax Commission of Ohio is charged with the assessment of public utility property.
1939	Responsibility for assessing public utility property shifts to the Ohio Department of Taxation, which replaces the state Tax Commission.
1941	The assessment level for personal property of rural electric companies is reduced from 100 percent to 50 percent of true value. All other public utility property continues to be assessed at 100 percent.
1963	Certified air pollution control facilities are exempted.
1965	Certified water pollution control facilities are exempted.
1973	Certified noise pollution control facilities are exempted.
1979	Personal property of railroads begins to be assessed annually at the same percentage of true value as the tangible personal property of general businesses, which at the time was 42 percent of true value.
1985	General Assembly changes apportionment of electric company production plant equipment so that 70 percent is apportioned to the taxing district in which the property is physically located. The remaining 30 percent is apportioned to each taxing district according to the distribution base, meaning the percentage of the total cost of transmission and distribution property located in each district. Previously, production plant equipment had been apportioned entirely according to the value of overhead and underground lines.
1989	General Assembly enacts legislation that: bases the true value of most public utility personal property on the cost as capitalized on the utility's books less composite annual allowances as prescribed by the tax commissioner; reduces the taxable value of most public utilities from 100 percent to 88 percent of true value; defines the true value of electric company production equipment as 50 percent of original cost, while maintaining the 100 percent assessment rate on such property; revises the apportionment of production equipment at an electric utility plant with a cost exceeding $1 billion so that all of the cost in excess of $420 million is apportioned according to the distribution base. Previously, 70 percent of the amount above $420 million would have been apportioned to the taxing district in which the property is physically located.

1995	All inter-exchange telecommunications company personal property begins to be assessed at 25 percent of true value. Local telephone company personal property is added to the tax rolls during tax year 1995 and is thereafter assessed at 25 percent of true value.
1999	Beginning Jan. 1, 2001, all electric and rural electric utility personal property – except for transmission and distribution property – is assessed at 25 percent of true value. Also, electric production equipment is sitused 100 percent in the taxing district in which property is located.
2000	Beginning Jan. 1, 2001, the assessment percentage of natural gas personal property is lowered from 88 percent to 25 percent of true value.
2003	Beginning Jan. 1, 2005, the assessment rate of telephone personal property acquired before 1994 is phased down from 88 percent to 25 percent of true value over a three-year period.
2005	H.B. 66 included the following changes effective Jan. 1, 2006: lowered the assessment percentage on electric transmission and distribution personal property from 88 percent to 85 percent and on electric production personal property from 25 to 24 percent; began phase-out over three years of the tax on railroad personal property according to the same schedule that applies to general business tangible personal property: listing percentages of 18.75 for 2006, 12.5 for 2007, 6.25 for 2008 and zero thereafter; railroad real property in a single county and not used in operations is valued and assessed by the county auditor; included the cost of patterns, jigs, dies and drawings in the taxable personal property of an electric company. Also, beginning Jan. 1, 2007, classified telephone companies and inter-exchange telecommunications companies as general business taxpayers, with the personal property for these companies to be phased out according to a four-year schedule; beginning Jan. 1, 2009, defined persons that lease personal property to some public utilities as public utility personal property lessors and required the filing of returns listing this property; beginning Jan. 1, 2009, required persons that generate electricity and supply some of it to others, but whose primary business is not supplying electricity, to report their electricity-related property as an electric company does.
2010	S.B. 232 provided that energy companies that are not classified as "qualified energy projects" are classified as public utilities and are subject to the public utility property tax. H.B. 153 extended deadlines for qualified energy projects.
2017	H.B. 384 reduces the property tax assessment rate for water-works company tangible personal property that is taxed for the first time in tax year 2017 or thereafter, from 88 percent to 25 percent of true value.
2019	H.B. 6 prohibits the taxable property of an electric company receiving payments for nuclear resource credits under R.C. 3706.55 in any tax year may not be assessed at less than the taxable value of such property as of the bill's effective date, Oct. 22, 2019.

Property Tax – Real Property

Overview. The real property tax is Ohio's oldest tax. It has been an ad valorem tax – meaning, based on value – since 1825, and the Ohio Constitution has generally required property to be taxed by uniform rule according to value since 1851. The Department of Taxation ensures uniformity through its oversight of the appraisal work of Ohio's county auditors. According to state law and department rules, auditors conduct a full reappraisal of real property every six years and update values in the third year following each sexennial reappraisal. The Department's Division of Tax Equalization compares the assessed values of properties to sale prices, then uses these "sales ratios" to evaluate assessments and, if necessary, seek changes.

During tax year 2018 (bills payable during 2019), the assessed valuation of real property in Ohio was approximately $255.7 billion ($730.5 billion in appraised true value). Revenue from taxes levied on this assessed value is distributed by county auditors to the local taxing authorities during calendar year 2019. Taxes charged after the application of reduction factors required by Ohio Revised Code section 319.301 (frequently described as House Bill 920) were approximately $17.0 billion for tax year 2018, an increase of 2.8 percent from tax year 2017. This amount does not include deductions for the 10 percent credit on certain residential and agricultural property (known as the non-business credit), the 2.5 percent credit for owner-occupied dwellings, or the homestead exemption for qualifying senior citizens and certain disabled homeowners.

The state reimburses local governments and school districts for the full amounts of the two credits (when they apply) and the homestead exemption. The amount of property tax relief for calendar year 2018 (reimbursed in 2019) is estimated to be $1.16 billion for the non-business credit, $217.6 million for the owner-occupied credit, and $393.4 million for the homestead exemption. These figures do not include those taxpayers who filed late for the homestead or owner-occupied reductions.

Table 1: Real Property Comparison of Largest Cities in Selected States

City	State	Median Home Value [1]	Estimated Property Tax Less Tax Reduction or Exemption	Effective Tax Rate per $100 [2]
Detroit	MI	$51,616	$1,848	3.58
Indianapolis	IN	142,659	4,437	3.11
Houston	TX	179,139	4,478	2.50
Columbus	OH	159,368	3,060	1.92
Atlanta	GA	302,166	5,318	1.76
Philadelphia	PA	167,663	2,196	1.31
Louisville[3]	KY	168,713	2,126	1.26
Nashville[3]	TN	274,069	3,453	1.26
Charlotte	NC	230,885	2,332	1.01
Charleston	WV	138,514	1,191	0.86

[1]Source: Table K202510, U.S. Census Bureau, American Community Survey, 2018 ACS Supplemental Estimates Detailed Tables.

[2]Source: Calculations by Ohio Department of Taxation based on Table 4 of Tax Rates and Tax Burdens in the District of Columbia, A Nationwide Comparison (issued March 2020).

[3]Median home value for relevant metro area.

Taxpayer (R.C. 5709.01). All real property owners who are not specifically exempt are subject to the real property tax.

Tax Base (R.C. 5713.03, 5715.01, 5713.30-.31). 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 are levied locally and vary by taxing authority. The total tax rate for any parcel includes all levies either enacted by a legislative body or approved by the voters of all taxing authority in which the property is a part. Examples of such jurisdictions include school districts, counties, municipalities, townships and special service districts.

During tax year 2018, the statewide average tax rate before reduction factors (total tax liabilities at tax rates before reduction factors ÷ taxable value) was approximately 94.62 mills on residential and agricultural real property and 98.15 mills on commercial and industrial real property. The statewide average tax rate after reduction factors (total tax liabilities at actual tax rates after reduction factors divided by taxable value) was approximately 64.05 mills on residential and agricultural real property and 76.01 mills on commercial and industrial real property. The difference between the gross and effective rate is due to tax reduction factors that generally prevent changes in tax liabilities from voted taxes even though the valuation of real property increases or decreases because of reappraisal or triennial update (see **Credits** below).

The Ohio Constitution prohibits governmental units from levying property taxes that, in the aggregate, exceed 1 percent of true value, unless they are approved by voters. This is known in state law as the 10-mill limitation on non-voted or "inside" millage. Since these inside mills are levied on taxable value, which is 35 percent of true value, the result is a statutory limit of 0.35 percent, or nearly three times as strict as the constitutional 1 percent limit.

Exemptions (R.C. 5709 et seq.). State law exempts certain facilities and organizations from real property tax. Expressed major exemptions include:

- primary and secondary schools (public and nonpublic);
- public colleges, academies and state universities;
- churches and property used for public or charitable purposes;
- government and public property;
- public recreational facilities used for athletic events;
- nature preserves.

Disposition of Revenue (R.C. 319.54, 321.24, 321.26 –.261, 321.31, 321.33–.34). After local administrative fee deductions, revenue is distributed to local taxing authorities according to the taxable values and total millage levied by each.

Credits (R.C. 319.301–.302, 323.151–.157)

Property Tax Credits. Since 1971, a 10 percent credit has applied to each taxpayer's real property tax bill. In 2005, as part of a broader series of tax reforms, the General Assembly limited the 10 percent credit to all real property not intended primarily for use in a business activity. The state reimburses local governments and schools for the cost of this credit, now called the non-business credit. In addition, since the 1979 tax year, a 2.5 percent credit, called the owner occupancy credit, of real property taxes has been available to homesteads – meaning a dwelling plus up to one acre occupied by the homeowner. The state reimburses local governments and schools for the cost of this credit.

These two credits do not apply to new local levies or replacement local levies passed after Sept. 29, 2013; they will continue to apply only to existing and renewed levies.

Tax Reduction Factors. Each year, the department calculates effective tax rates based on tax reduction factors that eliminate the effect of a change in the valuation of existing real property on certain voted taxes. This law, outlined in R.C. 319.301, was enacted in 1976 by the 111th General Assembly as House Bill 920.

Reduction factors are applied to eligible tax rates for each taxing unit, such as a school district, a county or a municipality. For the purpose of applying 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. Tax reduction factors are separately calculated for each class of property.

Reduction factors are calculated only on "carryover" property. Carryover property is property that is taxed both in the same class for the current year and the preceding year. For example, the value of new construction does not trigger a change in reduction factors. When new buildings are constructed, the tax generated will be additional moneys received by a taxing authority. Likewise, reduction factors do not change when value is removed as a result of exemption, demolition or reclassification. Finally, if tax reduction factors would reduce the effective tax rate of fixed-rate levies for current expenses of a school district below 20 mills on property in either class, the reduction factors are adjusted to yield a minimum of 20 effective mills. Districts that levy less than 20 mills do not automatically reach this 20 mill floor; a district that only levies 18 gross mills for current expense purposes will never receive more than 18 mills. The reduction factors of joint vocational school districts are adjusted in a similar manner to yield a minimum of two effective mills on each class of real property.

Homestead Exemption. Eligibility for new exemptions is limited to qualifying taxpayers by age and Ohio adjusted gross income. The income threshold is adjusted annually for inflation and is $32,800 for tax year 2019. The homestead exemption dates to 1971. It is available to the homesteads of qualified homeowners who are either:

- at least 65 years old;
- permanently and totally disabled; or
- at least 59 years and the surviving spouse of a deceased taxpayer who previously received the exemption.

Each qualified homeowner receives a credit equal to the taxes that would otherwise be charged on up to $25,000 of the true value (meaning, $8,750 in taxable value) of the homestead. In effect, the homestead exemption shields up to $25,000 of the value of an eligible homestead from property taxation.

Veterans who have received a 100 percent permanent total disability rating or a total disability rating for a service-connected disability or combination of service-connected disabilities are exempt from this income threshold and are eligible to receive a homestead credit value of $50,000.

Special Provisions

Current Agricultural Use Value (R.C. 5713.30 – 5713.36). The Ohio Constitution requires real property (land and improvements) to be taxed by uniform rule according to value. But land devoted exclusively to commercial agricultural use may be valued according to its current use instead of its "highest and best" potential use. Such land must meet one of the following requirements for three years before the year in which application for the current use treatment is made:

- 10 acres or more must be devoted to commercial agricultural use; or
- under 10 acres must be devoted to commercial agricultural use and produce an average yearly gross income of at least $2,500.

In addition, when land that is valued according to its commercial agricultural use is converted to a different use, a charge is assessed on the land in an amount equal to the difference in the amount of tax levied on the converted land during the three tax years immediately preceding the year in which the conversion occurs.

In 2019, a total of approximately 16.0 million acres were assessed at their current agricultural use value of approximately $8.7 billion, which is $17.9 billion less than the highest and best use value of approximately $26.5 billion.

Forest Land (R.C. 5713.22 – 5713.26). 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.

Manufactured Home Tax (R.C. 4505.01, 4503.06, 4503.065). Manufactured homes are subject to an annual property tax. The valuation method and tax calculation depend on whether the manufactured home is taxed like (but not as) real property. Details on this tax are in the Manufactured Home Tax chapter in the Local Taxes section of this report.

Filing and Payment Dates (R.C. 323.12, 323.17). According to statute, at least one-half of a real property tax bill is due by December 31st, with the balance due by June 20th. In practice, these deadlines are often extended in the ways described below. 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 to avoid penalties to taxpayers.

Administration (R.C. 319.28, 5703.80, 5705.03, 5713.01, 5715.01–.02, 5719.05). The Tax Commissioner supervises the taxation of real property and is charged with the duty of achieving uniformity of that taxation. An amount equal to a portion of the amount by which taxes charged and payable were reduced for the owner-occupied credit and a portion of taxes charged and payable against public utility personal property is deposited in the property tax administration fund. County auditors are responsible for assessing all real property and for preparing a general tax list and duplicate. Using the duplicate, county treasurers prepare property tax bills and are responsible for the actual collection of the tax. County boards of revision hear complaints on the assessment or valuation of real property and may increase or decrease an assessment in the value of any property dispute properly before it.

History of Major Changes.

1803	Ohio became a state. General Assembly continued the territorial practice of taxing land (but not improvements) based on whether the fertility of the land is "first rate," "second rate" or "third rate."
1825	General Assembly abolished land classification system, replacing it with an ad valorem tax on land, improvements and select forms of personal property.
1846	General Assembly enacted "Kelley Law," which requires that "all property, whether real or personal… unless exempted, shall be subject to taxation." Previously, the legislature had exempted from taxation many forms of personal property, such as tools and machinery.
1851	New state constitution required that all real and personal property be taxed according to uniform rule, except for exemptions specifically permitted by the constitution, such as for churches and schools.
1902	Legislature repealed state property tax levies for the general fund. State levies persist for other purposes, such as public universities, common schools and highways.
1910	General Assembly created the Tax Commission of Ohio to supervise local property tax administration.
1911	General Assembly enacted "Smith 1 percent law," which sets an overall 10 mill limit on unvoted levies. Further levies are permitted up to a 15-mill limit, if they are approved through a vote of the people.
1925	General Assembly enacted first statutory requirement for a six-year reappraisal cycle.
1927	General Assembly repealed Smith Law and replaces it with a 15-mill cap on unvoted levies. Additional millage is permitted above this mark through a vote of the people.
1929	Ohio voters approved a constitutional amendment that, starting in 1931, generally limits levies enacted without voter approval to 1.5 percent of true value. The amendment also limited the principle of taxation by uniform rule to real property, rather than all property.

1932	For the first time in more than a century, no state tax is levied on real property.
1933	Voters approved a constitutional amendment that tightens the cap on non-voted levies to 1 percent of true value.
1934	Through statute, the General Assembly reduced the aggregate tax limit on non-voted levies from 15 mills to 10 mills.
1939	The Tax Commission of Ohio is replaced by the Department of Taxation, the Board of Tax Appeals (which begins supervising real property tax administration), and a Tax Commissioner (who assumes functions with respect to taxation of public utility property).
1965	For the first time, the General Assembly enacted law explicitly permitting real property to be uniformly assessed at less than true value. The legislature required that taxable values be no more than 50 percent of true value with the actual uniform percentage to be established by rule of the Board of Tax Appeals.
1968	A state tax applied to real property for the last time – 0.2 mills to retire bonds issued to provide bonus compensation to veterans of the Korean conflict.
1970	Ohio voters approved a constitutional amendment permitting a homestead exemption for low- and middle-income senior citizens.
1971	General Assembly enacted 10 percent property tax credit. Homestead exemption begins.
1972	Board of Tax Appeals required taxable values to be set at 35 percent of true value as counties complete their sexennial reappraisals, with annual adjustments to maintain the 35 percent level.
1973	Voters approved a constitutional amendment permitting the valuation of agricultural property based upon current use.
1974	Voters approved a constitutional amendment that permits the extension of the homestead exemption to permanently and totally disabled homeowners.
1976	General Assembly enacted H.B. 920, which requires the calculation of effective tax rates based on reduction factors. These factors are intended to eliminate from certain voted levies the changes in revenue that might occur when values grow on existing real property as part of a reappraisal or update. H.B. 920 also created the Department of Tax Equalization to supervise real property tax administration and requires real property valuations to be updated every three years, instead of annually.
1977	S.B. 221 established a 20-mill floor for school districts, after the application of “House Bill 920” reduction factors.
1979	Legislature enacted a 2.5 percent tax credit for owner-occupied residential property.
1980	Voters approved a constitutional amendment that calls for separate reduction factors to be applied to two classes of real property: residential and agricultural property (Class I) and all other real property (Class II).
1983	Department of Tax Equalization is eliminated; all its functions are transferred to the Department of Taxation.
1990	Voters approved a constitutional amendment that permits the homestead exemption to be extended to the surviving spouses of homestead exemption recipients.
2005	As part of a larger series of tax reforms, H.B. 66 narrows the 10 percent credit to real property not intended primarily for use in a business activity.
2007	H.B. 119 expanded the homestead exemption to all senior citizens, qualifying disabled homeowners, and surviving spouses of previously qualified homeowners, regardless of income. The bill eliminated the tiered benefits and instead allowed all eligible participants to exempt $25,000 of the true value of their homestead from taxation
2014	H.B. 59 limited the application of the non-business and owner-occupied real property tax credits to levies approved before Sept. 29, 2013, and to subsequent renewals of these levies. The bill also implemented a means test for the availability of the homestead exemption for homeowners not receiving the exemption in tax year 2013. The test is to be adjusted annually for inflation. H.B. 85 increased the homestead exemption available to veterans who are permanently and totally disabled

	due to a service-related disability from a value of $25,000 to $50,000. The bill also exempted such veterans from the income threshold to be eligible for the homestead exemption.
2017	H.B. 26 enacted law suspending the property tax administration fee for the 2018-2019 biennium, reducing the maximum rates that may be charged thereafter, requiring the rates charged not to exceed the maximum rates or the estimated costs of the Ohio Department of Taxation to administer these taxes. H.B. 49 makes changes in the calculation of CAUV values, changes are phased in over two reassessment of update cycles.
2018	S.B. 8 modified Transportation Financing Districts (TFD) property tax exemptions. H.B. 24 authorizes a property tax exemption for certain property providing housing for individuals with developmental disabilities, expands the veterans' organization property tax exemption to qualifying 501(c)(4) groups, and enumerates uses of school safety and security tax levy. H.B. 292 requires a property tax exemption for certain Olympic training facilities and increases the maximum term of delinquency for such facilities.

Real Property Conveyance Fees

Overview. State law establishes a mandatory conveyance fee on the transfer of real property. The fee is calculated based on a percentage of the property value that is transferred. In addition to the mandatory fee, all but one county levies a permissive real property transfer fee. The revenue from both the mandatory fee and the permissive fee is deposited into the general revenue fund of the county in which the property is located. During 2018, the latest year for which survey data is available, conveyance fees generated approximately $164.4 million in revenues to the counties. The breakdown of these revenues was approximately $50.7 million from mandatory fees and $113.6 million from permissive fees.

Taxpayer (R.C. 319.202, 319.54, 322.02, 322.06). The real property conveyance fee is paid by persons that transfer real estate or sell a used manufactured or used mobile home.

Tax base (R.C. 319.202). The tax base is the value of the real estate or used manufactured or mobile home.

Tax rates (R.C. 319.54, 322.02). The fee consists of two parts: (1) a statewide mandatory fee of 1 mill (0.001) or $1 per $1,000 of the value of the property transferred or sold and applies in all 88 counties and (2) an optional county permissive real property transfer fee of up to 3 mills. County commissioners may prescribe a lower permissive rate for conveyances of property receiving the homestead exemption. As of 2017, survey data, 87 of 88 counties levied an additional permissive fee at rates ranging from one to three mills. The exception was Ross County.

Exemptions, deductions, and credits (R.C. 319.54). The tax does not apply to certain transfers or sales as set forth in R.C. 319.54(G)(3).

Filing and payment dates (R.C. 319.202, 322.06). The fee is paid at the time of transfer.

Disposition of Revenue (R.C. 319.202, 322.06). All revenues from the fees are deposited into the general fund of the county, except that fees charged and received for a transfer of real property to a county land reutilization corporation must be credited to the county's land reutilization corporation fund established under R.C. 321.263.

History of Major Changes.

1967	A mandatory real property transfer fee of 1 mill becomes required by state law and county commissioners are permitted to impose additional fees of up to 3 mills on conveyances on or after Jan. 1, 1968. The revenues from both components of the tax are distributed to the county's general fund.
1969	State law allows for a vote of the electorate to repeal a permissive transfer fee adopted as an emergency.

Resort Area Gross Receipts Tax

Overview. The resort area gross receipts tax is a business privilege tax that a municipality or township that has declared itself to be a resort area may enact. Revenue from the tax benefits the municipality or township. The tax was authorized by House Bill 327 (120th General Assembly) that became law on June 30, 1993. The village of Kelley's Island enacted the first resort area gross receipts tax in 1993. The village and township of Put-in-Bay followed suit in 1996. Additionally, H.B. 64 (131st General Assembly eff. Sept. 29, 2015) authorized the creation of a "tourism development district (TDD)," which may also levy a tax similar to the resort tax. Municipalities and townships may declare themselves to be a resort area and enact the tax when they meet a three-pronged test:

- At least 62 percent of total housing units are for seasonal use as of the last federal census.
- Entertainment and recreation facilities are provided within the community that are primarily intended to provide seasonal leisure activity for nonresidents.
- The municipality or township experiences seasonal peaks of employment and service demand because of a seasonal population increase.

A tourism development district was defined in H.B. 64 as:

- Only a township or municipality located in a county that has a population between 375,000 and 400,000 and levies a county sales tax in which the aggregate rate does not exceed 0.50 percent as of the effective date of H.B. 64 (i.e., Stark Co.).
- The district is not more than 200 contiguous acres (increased to 600 by H.B. 49 of the 132nd General Assembly).

Taxpayer (R.C. 5739.101). The resort area gross receipts tax is imposed on persons making sales or providing intrastate transportation or other services taxable under the state sales tax base, within a designated resort area or TDD. A person may separately or proportionately bill or invoice the tax to another person.

Tax Base (R.C. 5739.101). The tax is levied on the privilege of doing business in the resort area or TDD. It is measured by gross receipts generated from sales made and services provided within the boundaries of a designated resort area or TDD, as well as intra-state transportation to and from such an area.

Gross receipts are defined as activities, without deduction for the cost of goods sold or other expenses incurred, that contribute to the production of the gross income of a business. Gross receipts that are part of the tax base include:

- Rentals and leases of tangible personal property such as watercraft, golf carts, bicycles, videos, and fishing tackle;
- Wholesale and retail sales, excluding food consumed off the premises;
- Hotel and motel room rentals;
- Repair or installation of tangible personal property;
- Warranties, maintenance or service contracts; and
- Sales of certain services that are also subject to sales tax under R.C. 5739.01(B).

Rates (R.C. 5739.101). The tax in the resort areas may be levied at rates of 0.5 percent, 1.0 percent, or 1.5 percent. A TDD may levy a tax rate of up to 2.0 percent. Currently, only four jurisdictions have enacted the tax: the village of Kelley's Island, the village of Put-in-Bay, the township of Put-in-Bay (Resort Areas) and city of Canton (TDD). The rate in each resort area jurisdiction is 1.5 percent. The rate of the TDD is 2 percent.

Exemptions (R.C. 5739.101). Sales of food may only be included to the extent such sales are subject to the state's sales tax. Transportation of passengers as part of a tour or cruise in which the passengers will stay in the municipal corporation or township for no more than one hour are exempted from the calculation of the tax.

Filing and Payment Dates (R.C. 5739.102). There are two semi-annual reporting periods for the tax. Returns are due to the Tax Commissioner approximately 30 days after the close of each reporting period: January 1 through June 30 - returns are due July 31; July 1through December 31 - returns are due January 31.

Administration and Disposition of Revenue (R.C. 5739.102). Tax Commissioner administers the resort area gross receipts excise tax and distributes the revenue to the general fund of the township or municipality that levied the tax within 45 days after the end of each month that the tax was paid. One percent is withheld and deposited into the GRF to cover the costs of administering the tax.

History of Collections.

Table 1: Resort Area Gross Receipts Tax collections: fiscal years 2016-2020

Fiscal Year	Revenue to Local Governments	State Administrative Fee	Total Tax Collections
2016	$1,175,730	$11,876	$1,187,606
2017	$1,191,123	$12,028	$1,203,150
2018	$1,126,928	$12,250	$1,214,678
2019	$1,414,395	$14,206	$1,428,601
2020	$1,278,916	$12,702	$1,291,617

Source: Office of Budget and Management fiscal reports.

History of Major Changes.

1993	The General Assembly enacts House Bill 327, authorizing municipalities or townships that meet certain requirements to declare themselves a "resort area" and levy a resort area gross receipts tax. Shortly thereafter, the village of Kelley's Island enacts the tax.
1996	The village of Put-In-Bay and township of Put-in-Bay both enact the tax.
2015	H.B. 64 authorized certain townships and municipal corporations to designate tourism development districts (TDD). A subdivision creating a TDD may levy a gross receipts tax of up to 2 percent on businesses' gross receipts derived from making taxable sales in the TDD, provided the subdivision levies the tax before 2019. A TDD gross receipts tax is administered and collected by the Tax Commissioner in the same manner as a resort area gross receipts tax.
2017	H.B. 49 extended the maximum size of a TDD from 200 to 600 acres, authorized municipal corporations and townships to designate new TDDs until 2021, expanded the improvements toward which revenues can be spent or pledged, and clarified that revenue used to fund permanent improvements located in a TDD must be from collections as a result of activities occurring in the TDD.
2019	H.B. 166 extended the legislative authority of a municipal corporation or township to levy a new gross receipts tax within a tourism development district until December 31, 2020.