

As Introduced

**127th General Assembly
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H. B. No. 234

Representative Fessler

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A B I L L

To amend section 319.301 of the Revised Code to 1
include revenue from all operating levies, 2
including school district emergency levies, in the 3
calculation determining whether a school 4
district's effective tax rate is below the 20-mill 5
floor, or, for joint vocational school districts, 6
the 2-mill floor. 7

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 319.301 of the Revised Code be 8
amended to read as follows: 9

Sec. 319.301. (A) This section does not apply to any of the 10
following: 11

(1) Taxes levied at whatever rate is required to produce a 12
specified amount of tax money, including a tax levied under 13
section 5705.211 of the Revised Code, or an amount to pay debt 14
charges; 15

(2) Taxes levied within the one per cent limitation imposed 16
by Section 2 of Article XII, Ohio Constitution; 17

(3) Taxes provided for by the charter of a municipal 18
corporation. 19

(B) As used in this section:	20
(1) "Real property" includes real property owned by a railroad.	21 22
(2) "Carryover property" means all real property on the current year's tax list except:	23 24
(a) Land and improvements that were not taxed by the district in both the preceding year and the current year;	25 26
(b) Land and improvements that were not in the same class in both the preceding year and the current year.	27 28
(3) "Effective tax rate" means with respect to each class of property:	29 30
(a) The sum of the total taxes that would have been charged and payable for current expenses against real property in that class if each of the district's taxes were reduced for the current year under division (D)(1) of this section without regard to the application of division (E)(3) of this section divided by	31 32 33 34 35
(b) The taxable value of all real property in that class.	36
(4) "Taxes charged and payable" means the taxes charged and payable prior to any reduction required by section 319.302 of the Revised Code.	37 38 39
(C) The tax commissioner shall make the determinations required by this section each year, without regard to whether a taxing district has territory in a county to which section 5715.24 of the Revised Code applies for that year. Separate determinations shall be made for each of the two classes established pursuant to section 5713.041 of the Revised Code.	40 41 42 43 44 45
(D) With respect to each tax authorized to be levied by each taxing district, the tax commissioner, annually, shall do both of the following:	46 47 48
(1) Determine by what percentage, if any, the sums levied by	49

such tax against the carryover property in each class would have 50
to be reduced for the tax to levy the same number of dollars 51
against such property in that class in the current year as were 52
charged against such property by such tax in the preceding year 53
subsequent to the reduction made under this section but before the 54
reduction made under section 319.302 of the Revised Code. In the 55
case of a tax levied for the first time that is not a renewal of 56
an existing tax, the commissioner shall determine by what 57
percentage the sums that would otherwise be levied by such tax 58
against carryover property in each class would have to be reduced 59
to equal the amount that would have been levied if the full rate 60
thereof had been imposed against the total taxable value of such 61
property in the preceding tax year. A tax or portion of a tax that 62
is designated a replacement levy under section 5705.192 of the 63
Revised Code is not a renewal of an existing tax for purposes of 64
this division. 65

(2) Certify each percentage determined in division (D)(1) of 66
this section, as adjusted under division (E) of this section, and 67
the class of property to which that percentage applies to the 68
auditor of each county in which the district has territory. The 69
auditor, after complying with section 319.30 of the Revised Code, 70
shall reduce the sum to be levied by such tax against each parcel 71
of real property in the district by the percentage so certified 72
for its class. Certification shall be made by the first day of 73
September except in the case of a tax levied for the first time, 74
in which case certification shall be made within fifteen days of 75
the date the county auditor submits the information necessary to 76
make the required determination. 77

(E)(1) As used in division (E)(2) of this section, "pre-1982 78
joint vocational taxes" means, with respect to a class of 79
property, the difference between the following amounts: 80

(a) The taxes charged and payable in tax year 1981 against 81

the property in that class for the current expenses of the joint vocational school district of which the school district is a part after making all reductions under this section;

(b) ~~The following percentage~~ Two-tenths of one per cent of the taxable value of all real property in that class;

~~(i) In 1987, five one hundredths of one per cent;~~

~~(ii) In 1988, one tenth of one per cent;~~

~~(iii) In 1989, fifteen one hundredths of one per cent;~~

~~(iv) In 1990 and each subsequent year, two tenths of one per cent.~~

If the amount in division (E)(1)(b) of this section exceeds the amount in division (E)(1)(a) of this section, the pre-1982 joint vocational taxes shall be zero.

As used in divisions (E)(2) and (3) of this section, "taxes charged and payable" has the same meaning as in division (B)(4) of this section and ~~excludes~~ includes any tax charged and payable ~~in 1985 or thereafter~~ under sections 5705.194 to 5705.197 ~~or~~ and section 5705.213 of the Revised Code.

(2) If in the case of a school district other than a joint vocational or cooperative education school district any percentage required to be used in division (D)(2) of this section for either class of property could cause the total taxes charged and payable for current expenses to be less than two per cent of the taxable value of all real property in that class that is subject to taxation by the district, the commissioner shall determine what percentages would cause the district's total taxes charged and payable for current expenses against that class, after all reductions that would otherwise be made under this section, to equal, when combined with the pre-1982 joint vocational taxes against that class, the lesser of the following:

(a) The sum of the rates at which those taxes are authorized 112
to be levied; 113

(b) Two per cent of the taxable value of the property in that 114
class. The auditor shall use such percentages in making the 115
reduction required by this section for that class. 116

(3)(a) If in the case of a joint vocational school district 117
any percentage required to be used in division (D)(2) of this 118
section for either class of property could cause the total taxes 119
charged and payable for current expenses for that class to be less 120
than the designated amount, the commissioner shall determine what 121
percentages would cause the district's total taxes charged and 122
payable for current expenses for that class, after all reductions 123
that would otherwise be made under this section, to equal the 124
designated amount. The auditor shall use such percentages in 125
making the reductions required by this section for that class. 126

(b) As used in division (E)(3)(a) of this section, the 127
designated amount shall equal two-tenths of one per cent of the 128
taxable value of all real property in the class that is subject to 129
taxation by the district ~~times the lesser of the following:~~ 130

~~(i) Two tenths of one per cent;~~ 131

~~(ii) The district's effective rate plus the following 132
percentage for the year indicated:~~ 133

~~WHEN COMPUTING THE 134~~

~~TAXES CHARGED FOR ADD THE FOLLOWING PERCENTAGE:~~ 135

1987	0.025%	136
1988	0.05%	137
1989	0.075%	138
1990	0.1%	139
1991	0.125%	140
1992	0.15%	141
1993	0.175%	142

~~1994 and thereafter~~ ~~0.2%.~~ 143

(F) No reduction shall be made under this section in the rate 144
at which any tax is levied. 145

(G) The commissioner may order a county auditor to furnish 146
any information the commissioner needs to make the determinations 147
required under division (D) or (E) of this section, and the 148
auditor shall supply the information in the form and by the date 149
specified in the order. If the auditor fails to comply with an 150
order issued under this division, except for good cause as 151
determined by the commissioner, the commissioner shall withhold 152
from such county or taxing district therein fifty per cent of 153
state revenues to local governments pursuant to section 5747.50 of 154
the Revised Code or shall direct the department of education to 155
withhold therefrom fifty per cent of state revenues to school 156
districts pursuant to Chapter 3317. of the Revised Code. The 157
commissioner shall withhold the distribution of such revenues 158
until the county auditor has complied with this division, and the 159
department shall withhold the distribution of such revenues until 160
the commissioner has notified the department that the county 161
auditor has complied with this division. 162

(H) If the commissioner is unable to certify a tax reduction 163
factor for either class of property in a taxing district located 164
in more than one county by the last day of November because 165
information required under division (G) of this section is 166
unavailable, the commissioner may compute and certify an estimated 167
tax reduction factor for that district for that class. The 168
estimated factor shall be based upon an estimate of the 169
unavailable information. Upon receipt of the actual information 170
for a taxing district that received an estimated tax reduction 171
factor, the commissioner shall compute the actual tax reduction 172
factor and use that factor to compute the taxes that should have 173
been charged and payable against each parcel of property for the 174

year for which the estimated reduction factor was used. The amount 175
by which the estimated factor resulted in an overpayment or 176
underpayment in taxes on any parcel shall be added to or 177
subtracted from the amount due on that parcel in the ensuing tax 178
year. 179

A percentage or a tax reduction factor determined or computed 180
by the commissioner under this section shall be used solely for 181
the purpose of reducing the sums to be levied by the tax to which 182
it applies for the year for which it was determined or computed. 183
It shall not be used in making any tax computations for any 184
ensuing tax year. 185

(I) In making the determinations under division (D)(1) of 186
this section, the tax commissioner shall take account of changes 187
in the taxable value of carryover property resulting from 188
complaints filed under section 5715.19 of the Revised Code for 189
determinations made for the tax year in which such changes are 190
reported to the commissioner. Such changes shall be reported to 191
the commissioner on the first abstract of real property filed with 192
the commissioner under section 5715.23 of the Revised Code 193
following the date on which the complaint is finally determined by 194
the board of revision or by a court or other authority with 195
jurisdiction on appeal. The tax commissioner shall account for 196
such changes in making the determinations only for the tax year in 197
which the change in valuation is reported. Such a valuation change 198
shall not be used to recompute the percentages determined under 199
division (D)(1) of this section for any prior tax year. 200

Section 2. That existing section 319.301 of the Revised Code 201
is hereby repealed. 202