

As Introduced

**127th General Assembly
Regular Session
2007-2008**

H. B. No. 402

Representatives Peterson, Heard

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A B I L L

To enact section 5713.40 of the Revised Code to 1
partially exempt conservation easement property 2
from taxation. 3

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

Section 1. That section 5713.40 of the Revised Code be 4
enacted to read as follows: 5

Sec. 5713.40. (A) As used in this section, "conservation 6
easement" or "agricultural easement" means a conservation easement 7
or agricultural easement as defined in section 5301.67 of the 8
Revised Code that is perpetual in duration and the instrument for 9
which is executed and recorded as other instruments conveying real 10
property interests. 11

(B) One-half of the taxable value of any tract, lot, or 12
parcel of real property, or any portion thereof, that is subject 13
to a conservation easement or agricultural easement shall be 14
exempt from property taxation if the property is not valued in the 15
current tax year at its current agricultural use value under 16
section 5713.31 of the Revised Code. 17

At any time after the first Monday of January and before the 18
first Monday of March in any tax year, the owner of land subject 19
to a conservation or agricultural easement may file an application 20

with the county auditor requesting that the land be partially 21
exempted from taxation as provided in this section. The county 22
auditor shall verify the existence and extent of the easement by 23
examining the recorded instrument and, if so verified, shall grant 24
the partial exemption to the whole or any part of such land that 25
is subject to the easement. 26

In determining the extent of land to be partially exempted 27
under this section, the county auditor may exclude any portion of 28
the land on which a homestead is situated or on which homesteads 29
are planned to be situated. The excluded portion for each 30
homestead shall be not less than the minimum agricultural 31
homestead area prescribed by any applicable zoning regulations or 32
one acre, whichever is greater. 33

Land partially exempted under this section may not be valued 34
at its current agricultural use value, and its taxable value shall 35
not be diminished to account for the existence of a conservation 36
easement as provided under section 5713.04 of the Revised Code. 37
Land subject to a conservation easement that is not partially 38
exempted under this section or valued at its current agricultural 39
use shall be valued for taxation by taking into account the 40
diminution in value as a result of the existence of the easement 41
as provided under section 5713.04 of the Revised Code. 42

Land partially exempted under this section shall continue to 43
be partially exempted for the tax year in which the exemption is 44
originally approved and all ensuing tax years, except as provided 45
in division (C) of this section. 46

(C) Land subject to a conservation or agricultural easement 47
shall not be partially exempted from taxation under this section 48
if the terms of the easement are violated or the use of the land 49
is otherwise not in compliance with those terms. 50