

**As Reported by the Senate Ways and Means and Economic
Development Committee**

**127th General Assembly
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Sub. S. B. No. 306

Senator Schuler

Cosponsors: Senators Mumper, Seitz, Wagoner, Schaffer, Spada, Cates

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A B I L L

To amend sections 135.804, 323.151, 323.153, 323.159, 1
4503.065, and 4503.066 of the Revised Code to 2
change the definition of "housing cooperative" for 3
the purposes of the county homestead tax 4
exemptions and property tax payment link deposit 5
programs for low-to-moderate income senior 6
citizens and permanently disabled citizens, and to 7
expand the definition of a homestead owner to 8
include settlors of irrevocable inter vivos 9
trusts. 10

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

Section 1. That sections 135.804, 323.151, 323.153, 323.159, 11
4503.065, and 4503.066 of the Revised Code be amended to read as 12
follows: 13

Sec. 135.804. As used in sections 135.804 to 135.807 of the 14
Revised Code: 15

(A) "Taxes" has the same meaning as in section 323.01 of the 16
Revised Code. 17

(B) "Eligible borrower" means a person meeting all of the 18

following:	19
(1) The person is the owner of a homestead that is not charged with more than two years' worth of certified delinquent taxes.	20 21 22
(2) The person had total income in the year prior to submitting an application for a reduced rate loan under a property tax payment linked deposit program of the lesser of fifty thousand dollars or the total income limit established pursuant to section 135.805 of the Revised Code by the board of county commissioners as an eligibility requirement for participation in a property tax payment linked deposit program.	23 24 25 26 27 28 29
(3) The person meets all other eligibility requirements established pursuant to section 135.805 of the Revised Code by the board of county commissioners for participation in a property tax payment linked deposit program.	30 31 32 33
(C) "Eligible lending institution" means a financial institution that meets all of the following:	34 35
(1) The financial institution is eligible to make loans to individuals that are secured by mortgages, including mortgages commonly known as reverse mortgages.	36 37 38
(2) The financial institution has an office located within the territorial limits of the county.	39 40
(3) The financial institution is an eligible public depository described in section 135.32 of the Revised Code into which the county's investing authority may deposit the public moneys of the county.	41 42 43 44
(4) The financial institution has entered into an agreement described in division (B)(4) of section 135.805 of the Revised Code with the investing authority of the county to participate in the property tax payment linked deposit program.	45 46 47 48

(D)(1) "Homestead" means either of the following:	49
(1) (a) A dwelling, including a unit in a multiple-unit dwelling and a manufactured home or mobile home taxed as real property pursuant to division (B) of section 4503.06 of the Revised Code, owned and occupied as a home by an individual whose domicile is in this state and who has not acquired ownership from a person, other than the individual's spouse, related by consanguinity or affinity for the purpose of qualifying for a property tax payment linked deposit program.	50 51 52 53 54 55 56 57
(2) (b) A unit in a housing cooperative that is occupied as a home, but not owned, by an individual whose domicile is in this state.	58 59 60
(2) The homestead shall include so much of the land surrounding it, not exceeding one acre, as is reasonably necessary for the use of the dwelling or unit as a home. An owner includes a holder of one of the several estates in fee, a vendee in possession under a purchase agreement or a land contract, a mortgagor, a life tenant, one or more tenants with a right of survivorship, tenants in common, and a settlor of a revocable <u>or irrevocable</u> inter vivos trust holding the title to a homestead occupied by the settlor as of right under the trust.	61 62 63 64 65 66 67 68 69
(E) "Housing cooperative" means a housing complex of at least two hundred-fifty units that is owned and operated by a nonprofit corporation that issues a share of the corporation's stock to an individual, entitling the individual to live in a unit of the complex, and collects a monthly maintenance fee from the individual to maintain, operate, and pay the taxes of the complex.	70 71 72 73 74 75
(F) "Investing authority" and "public moneys" have the same meanings as in section 135.31 of the Revised Code.	76 77
(G) "Lien certificate" means the certificate described in section 135.807 of the Revised Code.	78 79

(H) "Old age and survivors benefits received pursuant to the 80
'Social Security Act'" or "tier I railroad retirement benefits 81
received pursuant to the 'Railroad Retirement Act'" means: 82

(1) Old age benefits payable under the social security or 83
railroad retirement laws in effect on the last day of the calendar 84
year prior to the year for which a reduced rate loan under a 85
property tax payment linked deposit program is applied for, or, if 86
no such benefits are payable that year, old age benefits payable 87
the first succeeding year in which old age benefits under the 88
social security or railroad retirement laws are payable, except in 89
those cases where a change in social security or railroad 90
retirement benefits results in a reduction in income. 91

(2) The lesser of: 92

(a) Survivors benefits payable under the social security or 93
railroad retirement laws in effect on the last day of the calendar 94
year prior to the year for which a reduced rate loan under a 95
property tax payment linked deposit program is applied for, or, if 96
no such benefits are payable that year, survivors benefits payable 97
the first succeeding year in which survivors benefits are payable; 98
or 99

(b) Old age benefits of the deceased spouse, as determined 100
under division (H)(1) of this section, upon which the surviving 101
spouse's survivors benefits are based under the social security or 102
railroad retirement laws, except in those cases where a change in 103
benefits would cause a reduction in income. 104

Survivors benefits are those described in division (H)(2)(b) 105
of this section only if the deceased spouse received old age 106
benefits in the year in which the deceased spouse died. If the 107
deceased spouse did not receive old age benefits in the year in 108
which the deceased spouse died, then survivors benefits are those 109
described in division (H)(2)(a) of this section. 110

(I) "Permanently and totally disabled" means a person who, on 111
the first day of January of the year that a reduced rate loan 112
under a property tax payment linked deposit program is applied 113
for, has some impairment in body or mind that makes the person 114
unable to work at any substantially remunerative employment that 115
the person reasonably is able to perform and that will, with 116
reasonable probability, continue for an indefinite period of at 117
least twelve months without any present indication of recovery 118
therefrom or has been certified as permanently and totally 119
disabled by a state or federal agency having the function of so 120
classifying persons. 121

(J) "Property tax payment linked deposit program" means a 122
~~county-wide~~ countywide program authorized under section 135.805 of 123
the Revised Code and established by the board of county 124
commissioners of a county pursuant to that section. 125

(K) "Sixty-five years of age or older" means a person who has 126
attained age sixty-four prior to the first day of January of the 127
year of application for a reduced rate loan under a property tax 128
payment linked deposit program. 129

(L) "Total income" means the adjusted gross income of the 130
owner and the owner's spouse for the year preceding the year in 131
which application for a reduced rate loan under a property tax 132
payment linked deposit program is made, as determined under the 133
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as 134
amended, adjusted as follows: 135

(1) Subtract the amount of disability benefits included in 136
adjusted gross income, but not to exceed fifty-two hundred 137
dollars; 138

(2) Add old age and survivors benefits received pursuant to 139
the "Social Security Act" that are not included in adjusted gross 140
income; 141

(3) Add retirement, pension, annuity, or other retirement payments or benefits not included in adjusted gross income;	142 143
(4) Add tier I and tier II railroad retirement benefits received pursuant to the "Railroad Retirement Act," 50 Stat. 307, 45 U.S.C.A. 228;	144 145 146
(5) Add interest on federal, state, and local government obligations;	147 148
(6) For a person who received a reduced rate loan under a property tax payment linked deposit program for a prior year on the basis of being permanently and totally disabled and whose current application for a reduced rate loan is made on the basis of age, subtract the following amount:	149 150 151 152 153
(a) If the person received disability benefits that were not included in adjusted gross income in the year preceding the first year in which the person applied for a reduced rate loan on the basis of age, subtract an amount equal to the disability benefits the person received in that preceding year, to the extent included in total income in the current year and not subtracted under division (L)(1) of this section in the current year;	154 155 156 157 158 159 160
(b) If the person received disability benefits that were included in adjusted gross income in the year preceding the first year in which the person applied for a reduced rate loan on the basis of age, subtract an amount equal to the amount of disability benefits that were subtracted pursuant to division (L)(1) of this section in that preceding year, to the extent included in total income in the current year and not subtracted under division (L)(1) of this section in the current year.	161 162 163 164 165 166 167 168
Disability benefits that are paid by the department of veterans affairs or a branch of the armed forces of the United States on account of an injury or disability shall not be included in total income.	169 170 171 172

Sec. 323.151. As used in sections 323.151 to 323.159 of the	173
Revised Code:	174
(A) (1) "Homestead" means either of the following:	175
(1) (a) A dwelling, including a unit in a multiple-unit	176
dwelling and a manufactured home or mobile home taxed as real	177
property pursuant to division (B) of section 4503.06 of the	178
Revised Code, owned and occupied as a home by an individual whose	179
domicile is in this state and who has not acquired ownership from	180
a person, other than the individual's spouse, related by	181
consanguinity or affinity for the purpose of qualifying for the	182
real property tax reduction provided in section 323.152 of the	183
Revised Code.	184
(2) (b) A unit in a housing cooperative that is occupied as a	185
home, but not owned, by an individual whose domicile is in this	186
state.	187
(2) The homestead shall include so much of the land	188
surrounding it, not exceeding one acre, as is reasonably necessary	189
for the use of the dwelling or unit as a home. An owner includes a	190
holder of one of the several estates in fee, a vendee in	191
possession under a purchase agreement or a land contract, a	192
mortgagor, a life tenant, one or more tenants with a right of	193
survivorship, tenants in common, and a settlor of a revocable <u>or</u>	194
<u>irrevocable</u> inter vivos trust holding the title to a homestead	195
occupied by the settlor as of right under the trust. The tax	196
commissioner shall adopt rules for the uniform classification and	197
valuation of real property or portions of real property as	198
homesteads.	199
(B) "Sixty-five years of age or older" means a person who has	200
attained age sixty-four prior to the first day of January of the	201
year of application for reduction in real estate taxes.	202

(C) "Permanently and totally disabled" means a person who 203
has, on the first day of January of the year of application for 204
reduction in real estate taxes, some impairment in body or mind 205
that makes the person unable to work at any substantially 206
remunerative employment that the person is reasonably able to 207
perform and that will, with reasonable probability, continue for 208
an indefinite period of at least twelve months without any present 209
indication of recovery therefrom or has been certified as 210
permanently and totally disabled by a state or federal agency 211
having the function of so classifying persons. 212

(D) "Housing cooperative" means a housing complex of at least 213
two ~~hundred-fifty~~ units that is owned and operated by a nonprofit 214
corporation that issues a share of the corporation's stock to an 215
individual, entitling the individual to live in a unit of the 216
complex, and collects a monthly maintenance fee from the 217
individual to maintain, operate, and pay the taxes of the complex. 218

Sec. 323.153. (A) To obtain a reduction in real property 219
taxes under division (A) or (B) of section 323.152 of the Revised 220
Code or in manufactured home taxes under division (B) of section 221
323.152 of the Revised Code, the owner shall file an application 222
with the county auditor of the county in which the owner's 223
homestead is located. 224

To obtain a reduction in real property taxes under division 225
(A) of section 323.152 of the Revised Code, the occupant of a 226
homestead in a housing cooperative shall file an application with 227
the nonprofit corporation that owns and operates the housing 228
cooperative, in accordance with this paragraph. Not later than the 229
first day of March each year, the corporation shall obtain 230
applications from the county auditor's office and provide one to 231
each new occupant. Not later than the first day of May, any 232
occupant who may be eligible for a reduction in taxes under 233

division (A) of section 323.152 of the Revised Code shall submit 234
the completed application to the corporation. Not later than the 235
fifteenth day of May, the corporation shall file all completed 236
applications, and the information required by division (B) of 237
section 323.159 of the Revised Code, with the county auditor of 238
the county in which the occupants' homesteads are located. 239
Continuing applications shall be furnished to an occupant in the 240
manner provided in division (C)(4) of this section. 241

(1) An application for reduction based upon a physical 242
disability shall be accompanied by a certificate signed by a 243
physician, and an application for reduction based upon a mental 244
disability shall be accompanied by a certificate signed by a 245
physician or psychologist licensed to practice in this state, 246
attesting to the fact that the applicant is permanently and 247
totally disabled. The certificate shall be in a form that the tax 248
commissioner requires and shall include the definition of 249
permanently and totally disabled as set forth in section 323.151 250
of the Revised Code. An application for reduction based upon a 251
disability certified as permanent and total by a state or federal 252
agency having the function of so classifying persons shall be 253
accompanied by a certificate from that agency. 254

An application for a reduction under division (A) of section 255
323.152 of the Revised Code constitutes a continuing application 256
for a reduction in taxes for each year in which the dwelling is 257
the applicant's homestead. 258

(2) An application for a reduction in taxes under division 259
(B) of section 323.152 of the Revised Code shall be filed only if 260
the homestead or manufactured or mobile home was transferred in 261
the preceding year or did not qualify for and receive the 262
reduction in taxes under that division for the preceding tax year. 263
The application for homesteads transferred in the preceding year 264
shall be incorporated into any form used by the county auditor to 265

administer the tax law in respect to the conveyance of real 266
property pursuant to section 319.20 of the Revised Code or of used 267
manufactured homes or used mobile homes as defined in section 268
5739.0210 of the Revised Code. The owner of a manufactured or 269
mobile home who has elected under division (D)(4) of section 270
4503.06 of the Revised Code to be taxed under division (D)(2) of 271
that section for the ensuing year may file the application at the 272
time of making that election. The application shall contain a 273
statement that failure by the applicant to affirm on the 274
application that the dwelling on the property conveyed is the 275
applicant's homestead prohibits the owner from receiving the 276
reduction in taxes until a proper application is filed within the 277
period prescribed by division (A)(3) of this section. Such an 278
application constitutes a continuing application for a reduction 279
in taxes for each year in which the dwelling is the applicant's 280
homestead. 281

(3) Failure to receive a new application filed under division 282
(A)(1) or (2) or notification under division (C) of this section 283
after a certificate of reduction has been issued under section 284
323.154 of the Revised Code, or failure to receive a new 285
application filed under division (A)(1) or notification under 286
division (C) of this section after a certificate of reduction has 287
been issued under section 323.159 of the Revised Code, is 288
prima-facie evidence that the original applicant is entitled to 289
the reduction in taxes calculated on the basis of the information 290
contained in the original application. The original application 291
and any subsequent application, including any late application, 292
shall be in the form of a signed statement and shall be filed 293
after the first Monday in January and not later than the first 294
Monday in June. The original application and any subsequent 295
application for a reduction in real property taxes shall be filed 296
in the year for which the reduction is sought. The original 297
application and any subsequent application for a reduction in 298

manufactured home taxes shall be filed in the year preceding the 299
year for which the reduction is sought. The statement shall be on 300
a form, devised and supplied by the tax commissioner, which shall 301
require no more information than is necessary to establish the 302
applicant's eligibility for the reduction in taxes and the amount 303
of the reduction, and, for a certificate of reduction issued under 304
section 323.154 of the Revised Code, shall include an affirmation 305
by the applicant that ownership of the homestead was not acquired 306
from a person, other than the applicant's spouse, related to the 307
owner by consanguinity or affinity for the purpose of qualifying 308
for the real property or manufactured home tax reduction provided 309
for in division (A) or (B) of section 323.152 of the Revised Code. 310
The form shall contain a statement that conviction of willfully 311
falsifying information to obtain a reduction in taxes or failing 312
to comply with division (C) of this section results in the 313
revocation of the right to the reduction for a period of three 314
years. 315

(B) A late application for a tax reduction for the year 316
preceding the year in which an original application is filed, or 317
for a reduction in manufactured home taxes for the year in which 318
an original application is filed, may be filed with the original 319
application. If the county auditor determines the information 320
contained in the late application is correct, the auditor shall 321
determine the amount of the reduction in taxes to which the 322
applicant would have been entitled for the preceding tax year had 323
the applicant's application been timely filed and approved in that 324
year. 325

The amount of such reduction shall be treated by the auditor 326
as an overpayment of taxes by the applicant and shall be refunded 327
in the manner prescribed in section 5715.22 of the Revised Code 328
for making refunds of overpayments. On the first day of July of 329
each year, the county auditor shall certify the total amount of 330

the reductions in taxes made in the current year under this 331
division to the tax commissioner, who shall treat the full amount 332
thereof as a reduction in taxes for the preceding tax year and 333
shall make reimbursement to the county therefor in the manner 334
prescribed by section 323.156 of the Revised Code, from money 335
appropriated for that purpose. 336

(C)(1) If, in any year after an application has been filed 337
under division (A)(1) or (2) of this section, the owner does not 338
qualify for a reduction in taxes on the homestead or on the 339
manufactured or mobile home set forth on such application, the 340
owner shall notify the county auditor that the owner is not 341
qualified for a reduction in taxes. 342

(2) If, in any year after an application has been filed under 343
division (A) of this section, the occupant of a homestead in a 344
housing cooperative does not qualify for a reduction in taxes on 345
the homestead, the occupant shall notify the county auditor that 346
the occupant is not qualified for a reduction in taxes or file a 347
new application under division (A) of this section. 348

(3) If the county auditor or county treasurer discovers that 349
the owner of property not entitled to the reduction in taxes under 350
division (B) of section 323.152 of the Revised Code failed to 351
notify the county auditor as required by division (C)(1) of this 352
section, a charge shall be imposed against the property in the 353
amount by which taxes were reduced under that division for each 354
tax year the county auditor ascertains that the property was not 355
entitled to the reduction and was owned by the current owner. 356
Interest shall accrue in the manner prescribed by division (B) of 357
section 323.121 or division (G)(2) of section 4503.06 of the 358
Revised Code on the amount by which taxes were reduced for each 359
such tax year as if the reduction became delinquent taxes at the 360
close of the last day the second installment of taxes for that tax 361
year could be paid without penalty. The county auditor shall 362

notify the owner, by ordinary mail, of the charge, of the owner's 363
right to appeal the charge, and of the manner in which the owner 364
may appeal. The owner may appeal the imposition of the charge and 365
interest by filing an appeal with the county board of revision not 366
later than the last day prescribed for payment of real and public 367
utility property taxes under section 323.12 of the Revised Code 368
following receipt of the notice and occurring at least ninety days 369
after receipt of the notice. The appeal shall be treated in the 370
same manner as a complaint relating to the valuation or assessment 371
of real property under Chapter 5715. of the Revised Code. The 372
charge and any interest shall be collected as other delinquent 373
taxes. 374

(4) Each year during January, the county auditor shall 375
furnish by ordinary mail a continuing application to each person 376
issued a certificate of reduction under section 323.154 or 323.159 377
of the Revised Code with respect to a reduction in taxes under 378
division (A) of section 323.152 of the Revised Code. The 379
continuing application shall be used to report changes in 380
ownership or occupancy of the homestead, including ~~changes in or~~ 381
~~revocation of a revocable inter vivos trust,~~ changes in 382
disability⁷ and other changes in the information earlier furnished 383
the auditor relative to the reduction in taxes on the property. 384
The continuing application shall be returned to the auditor not 385
later than the first Monday in June; provided, that if such 386
changes do not affect the status of the homestead exemption or the 387
amount of the reduction to which the owner is entitled under 388
division (A) of section 323.152 of the Revised Code or to which 389
the occupant is entitled under section 323.159 of the Revised 390
Code, the application does not need to be returned. 391

(5) Each year during February, the county auditor, except as 392
otherwise provided in this paragraph, shall furnish by ordinary 393
mail an original application to the owner, as of the first day of 394

January of that year, of a homestead or a manufactured or mobile 395
home that transferred during the preceding calendar year and that 396
qualified for and received a reduction in taxes under division (B) 397
of section 323.152 of the Revised Code for the preceding tax year. 398
In order to receive the reduction under that division, the owner 399
shall file the application with the county auditor not later than 400
the first Monday in June. If the application is not timely filed, 401
the auditor shall not grant a reduction in taxes for the homestead 402
for the current year, and shall notify the owner that the 403
reduction in taxes has not been granted, in the same manner 404
prescribed under section 323.154 of the Revised Code for 405
notification of denial of an application. Failure of an owner to 406
receive an application does not excuse the failure of the owner to 407
file an original application. The county auditor is not required 408
to furnish an application under this paragraph for any homestead 409
for which application has previously been made on a form 410
incorporated into any form used by the county auditor to 411
administer the tax law in respect to the conveyance of real 412
property or of used manufactured homes or used mobile homes, and 413
an owner who previously has applied on such a form is not required 414
to return an application furnished under this paragraph. 415

(D) No person shall knowingly make a false statement for the 416
purpose of obtaining a reduction in the person's real property or 417
manufactured home taxes under section 323.152 of the Revised Code. 418

(E) No person shall knowingly fail to notify the county 419
auditor of changes required by division (C) of this section that 420
have the effect of maintaining or securing a reduction in taxes 421
under section 323.152 of the Revised Code. 422

(F) No person shall knowingly make a false statement or 423
certification attesting to any person's physical or mental 424
condition for purposes of qualifying such person for tax relief 425
pursuant to sections 323.151 to 323.159 of the Revised Code. 426

Sec. 323.159. (A) As used in this section: 427

(1) "Applicant" means the person who occupies a homestead in 428
a housing cooperative. 429

(2) "Homestead" has the same meaning as in division (A)~~(2)~~(1) 430
of section 323.151 of the Revised Code. 431

(B) Not later than the first day of May each year, any 432
nonprofit corporation that owns and operates a housing cooperative 433
shall determine the amount of property taxes it paid for the 434
housing cooperative for the preceding tax year and shall attribute 435
to each homestead in the housing cooperative a portion of the 436
total property taxes as if the homestead's occupant paid the 437
taxes. The taxes attributed to each homestead shall be based on 438
the percentage that the square footage of the homestead is of the 439
total square footage of the housing cooperative and on other 440
reasonable factors that reflect the value of the homestead. Not 441
later than the fifteenth day of May each year, the corporation 442
shall file this information with the county auditor, along with 443
any applications submitted to it under division (A) of section 444
323.153 of the Revised Code. No nonprofit corporation that owns 445
and operates a housing cooperative shall fail to file with the 446
county auditor the information required by this division and 447
division (A) of section 323.153 of the Revised Code. 448

(C) On or before the day the county auditor has completed the 449
duties imposed by sections 319.30 to 319.302 of the Revised Code, 450
the auditor shall issue a certificate of reduction in taxes for 451
each applicant who has complied with section 323.153 of the 452
Revised Code and whose homestead the auditor finds is entitled to 453
a reduction in real property taxes for that year under division 454
(A) of section 323.152 of the Revised Code. The county auditor 455
shall calculate the taxable value of each applicant's homestead as 456
if the homestead was owned by the applicant and shall use the 457

information provided by the nonprofit corporation under division 458
(B) of this section to determine the reduction in taxable value to 459
be attributed to the homestead. 460

The certificate shall state the taxable value, on the first 461
day of January of that year, attributed to each homestead in the 462
housing cooperative; the reduction in taxable value and reduction 463
in taxes attributed to the homestead; the total amount of the 464
reduction in taxable value for the housing cooperative based on 465
all certificates issued under this section for homesteads in the 466
housing cooperative; the nonprofit corporation's total reduction 467
in taxes for that year under division (A) of section 323.152 of 468
the Revised Code; the tax rate that is applicable against the 469
housing cooperative for that year; and any other information the 470
tax commissioner requires. The county auditor shall prepare three 471
copies of the original certificate. Upon the issuance of such a 472
certificate, the county auditor shall forward two copies and the 473
original to the county treasurer and retain one copy. The county 474
auditor also shall record the amount of reduction in taxes in the 475
appropriate column on the general tax list and duplicate of real 476
and public utility property. 477

(D) On receipt of the notice from the county auditor under 478
division (C) of this section, the nonprofit corporation that owns 479
and operates the housing cooperative shall reduce the monthly 480
maintenance fee for each homestead for which an applicant received 481
a certificate of reduction under this section for the year 482
following the year for which the certificate was issued. The 483
reduction in the monthly maintenance fee shall equal one-twelfth 484
of the reduction in taxes attributed to the homestead by the 485
county auditor under division (C) of this section. 486

(E) If an application, late application, or continuing 487
application is not approved, or if the county auditor otherwise 488
determines that a homestead does not qualify for a reduction in 489

taxes under division (A) of section 323.152 of the Revised Code, 490
the auditor shall notify the applicant, and the nonprofit 491
corporation that owns and operates the housing cooperative, of the 492
reasons for denial not later than the first Monday in October. If 493
the applicant believes that the application for reduction has been 494
improperly denied, or the nonprofit corporation that owns and 495
operates the housing cooperative believes that the reduction is 496
for less than that to which the housing cooperative is entitled, 497
the applicant or housing cooperative, respectively, may file an 498
appeal with the county board of revision not later than the date 499
of closing of the collection for the first half of real and public 500
utility property taxes. The appeal shall be treated in the same 501
manner as a complaint relating to the valuation or assessment of 502
real property under Chapter 5715. of the Revised Code. 503

Sec. 4503.065. (A) This section applies to any of the 504
following: 505

(1) An individual who is permanently and totally disabled; 506

(2) An individual who is sixty-five years of age or older; 507

(3) An individual who is the surviving spouse of a deceased 508
person who was permanently and totally disabled or sixty-five 509
years of age or older and who applied and qualified for a 510
reduction in assessable value under this section in the year of 511
death, provided the surviving spouse is at least fifty-nine but 512
not sixty-five or more years of age on the date the deceased 513
spouse dies. 514

(B) The manufactured home tax on a manufactured or mobile 515
home that is paid pursuant to division (C) of section 4503.06 of 516
the Revised Code and that is owned and occupied as a home by an 517
individual whose domicile is in this state and to whom this 518
section applies, shall be reduced for any tax year for which the 519
owner obtains a certificate of reduction from the county auditor 520

under section 4503.067 of the Revised Code, provided the 521
individual did not acquire ownership from a person, other than the 522
individual's spouse, related by consanguinity or affinity for the 523
purpose of qualifying for the reduction. An owner includes a 524
settlor of a revocable or irrevocable inter vivos trust holding 525
the title to a manufactured or mobile home occupied by the settlor 526
as of right under the trust. 527

(1) For manufactured and mobile homes for which the tax 528
imposed by section 4503.06 of the Revised Code is computed under 529
division (D)(2) of that section, the reduction shall equal the 530
greater of the reduction granted for the tax year preceding the 531
first tax year to which this section applies pursuant to Section 532
803.06 of Am. Sub. H.B. 119 of the 127th general assembly, if the 533
taxpayer received a reduction for that preceding tax year, or the 534
product of the following: 535

(a) Twenty-five thousand dollars of the true value of the 536
property in money; 537

(b) The assessment percentage established by the tax 538
commissioner under division (B) of section 5715.01 of the Revised 539
Code, not to exceed thirty-five per cent; 540

(c) The effective tax rate used to calculate the taxes 541
charged against the property for the current year, where 542
"effective tax rate" is defined as in section 323.08 of the 543
Revised Code; 544

(d) The quantity equal to one minus the sum of the percentage 545
reductions in taxes received by the property for the current tax 546
year under section 319.302 of the Revised Code and division (B) of 547
section 323.152 of the Revised Code. 548

(2) For manufactured and mobile homes for which the tax 549
imposed by section 4503.06 of the Revised Code is computed under 550
division (D)(1) of that section, the reduction shall equal the 551

greater of the reduction granted for the tax year preceding the 552
first tax year to which this section applies pursuant to Section 553
803.06 of Am. Sub. H.B. 119 of the 127th general assembly, if the 554
taxpayer received a reduction for that preceding tax year, or the 555
product of the following: 556

(a) Twenty-five thousand dollars of the cost to the owner, or 557
the market value at the time of purchase, whichever is greater, as 558
those terms are used in division (D)(1) of section 4503.06 of the 559
Revised Code; 560

(b) The percentage from the appropriate schedule in division 561
(D)(1)(b) of section 4503.06 of the Revised Code; 562

(c) The assessment percentage of forty per cent used in 563
division (D)(1)(b) of section 4503.06 of the Revised Code; 564

(d) The tax rate of the taxing district in which the home has 565
its situs. 566

(C) If the owner or the spouse of the owner of a manufactured 567
or mobile home is eligible for a homestead exemption on the land 568
upon which the home is located, the reduction to which the owner 569
or spouse is entitled under this section shall not exceed the 570
difference between the reduction to which the owner or spouse is 571
entitled under division (B) of this section and the amount of the 572
reduction under the homestead exemption. 573

(D) No reduction shall be made with respect to the home of 574
any person convicted of violating division (C) or (D) of section 575
4503.066 of the Revised Code for a period of three years following 576
the conviction. 577

Sec. 4503.066. (A)(1) To obtain a tax reduction under section 578
4503.065 of the Revised Code, the owner of the home shall file an 579
application with the county auditor of the county in which the 580
home is located. An application for reduction in taxes based upon 581

a physical disability shall be accompanied by a certificate signed 582
by a physician, and an application for reduction in taxes based 583
upon a mental disability shall be accompanied by a certificate 584
signed by a physician or psychologist licensed to practice in this 585
state. The certificate shall attest to the fact that the applicant 586
is permanently and totally disabled, shall be in a form that the 587
department of taxation requires, and shall include the definition 588
of totally and permanently disabled as set forth in section 589
4503.064 of the Revised Code. An application for reduction in 590
taxes based upon a disability certified as permanent and total by 591
a state or federal agency having the function of so classifying 592
persons shall be accompanied by a certificate from that agency. 593
594

(2) Each application shall constitute a continuing 595
application for a reduction in taxes for each year in which the 596
manufactured or mobile home is occupied by the applicant. Failure 597
to receive a new application or notification under division (B) of 598
this section after a certificate of reduction has been issued 599
under section 4503.067 of the Revised Code is prima-facie evidence 600
that the original applicant is entitled to the reduction 601
calculated on the basis of the information contained in the 602
original application. The original application and any subsequent 603
application shall be in the form of a signed statement and shall 604
be filed not later than the first Monday in June. The statement 605
shall be on a form, devised and supplied by the tax commissioner, 606
that shall require no more information than is necessary to 607
establish the applicant's eligibility for the reduction in taxes 608
and the amount of the reduction to which the applicant is 609
entitled. The form also shall contain a statement that conviction 610
of willfully falsifying information to obtain a reduction in taxes 611
or failing to comply with division (B) of this section shall 612
result in the revocation of the right to the reduction for a 613
period of three years. 614

(3) A late application for a reduction in taxes for the year 615
preceding the year for which an original application is filed may 616
be filed with an original application. If the auditor determines 617
that the information contained in the late application is correct, 618
the auditor shall determine both the amount of the reduction in 619
taxes to which the applicant would have been entitled for the 620
current tax year had the application been timely filed and 621
approved in the preceding year, and the amount the taxes levied 622
under section 4503.06 of the Revised Code for the current year 623
would have been reduced as a result of the reduction. When an 624
applicant is permanently and totally disabled on the first day of 625
January of the year in which the applicant files a late 626
application, the auditor, in making the determination of the 627
amounts of the reduction in taxes under division (A)(3) of this 628
section, is not required to determine that the applicant was 629
permanently and totally disabled on the first day of January of 630
the preceding year. 631

The amount of the reduction in taxes pursuant to a late 632
application shall be treated as an overpayment of taxes by the 633
applicant. The auditor shall credit the amount of the overpayment 634
against the amount of the taxes or penalties then due from the 635
applicant, and, at the next succeeding settlement, the amount of 636
the credit shall be deducted from the amount of any taxes or 637
penalties distributable to the county or any taxing unit in the 638
county that has received the benefit of the taxes or penalties 639
previously overpaid, in proportion to the benefits previously 640
received. If, after the credit has been made, there remains a 641
balance of the overpayment, or if there are no taxes or penalties 642
due from the applicant, the auditor shall refund that balance to 643
the applicant by a warrant drawn on the county treasurer in favor 644
of the applicant. The treasurer shall pay the warrant from the 645
general fund of the county. If there is insufficient money in the 646
general fund to make the payment, the treasurer shall pay the 647

warrant out of any undivided manufactured or mobile home taxes 648
subsequently received by the treasurer for distribution to the 649
county or taxing district in the county that received the benefit 650
of the overpaid taxes, in proportion to the benefits previously 651
received, and the amount paid from the undivided funds shall be 652
deducted from the money otherwise distributable to the county or 653
taxing district in the county at the next or any succeeding 654
distribution. At the next or any succeeding distribution after 655
making the refund, the treasurer shall reimburse the general fund 656
for any payment made from that fund by deducting the amount of 657
that payment from the money distributable to the county or other 658
taxing unit in the county that has received the benefit of the 659
taxes, in proportion to the benefits previously received. On the 660
second Monday in September of each year, the county auditor shall 661
certify the total amount of the reductions in taxes made in the 662
current year under division (A)(3) of this section to the tax 663
commissioner who shall treat that amount as a reduction in taxes 664
for the current tax year and shall make reimbursement to the 665
county of that amount in the manner prescribed in section 4503.068 666
of the Revised Code, from moneys appropriated for that purpose. 667

(B) If in any year after an application has been filed under 668
division (A) of this section the owner no longer qualifies for the 669
reduction in taxes for which the owner was issued a certificate, 670
the owner shall notify the county auditor that the owner is not 671
qualified for a reduction in taxes. 672

During January of each year, the county auditor shall furnish 673
each person issued a certificate of reduction, by ordinary mail, a 674
form on which to report any changes in ownership of the home, 675
including ~~changes in or revocation of a revocable inter vivos~~ 676
~~trust~~, changes in disability, and other changes in the information 677
earlier furnished the auditor relative to the application. 678

(C) No person shall knowingly make a false statement for the 679

purpose of obtaining a reduction in taxes under section 4503.065 680
of the Revised Code. 681

(D) No person shall knowingly fail to notify the county 682
auditor of any change required by division (B) of this section 683
that has the effect of maintaining or securing a reduction in 684
taxes under section 4503.065 of the Revised Code. 685

(E) No person shall knowingly make a false statement or 686
certification attesting to any person's physical or mental 687
condition for purposes of qualifying such person for tax relief 688
pursuant to sections 4503.064 to 4503.069 of the Revised Code. 689

(F) Whoever violates division (C), (D), or (E) of this 690
section is guilty of a misdemeanor of the fourth degree. 691

Section 2. That existing sections 135.804, 323.151, 323.153, 692
323.159, 4503.065, and 4503.066 of the Revised Code are hereby 693
repealed. 694