

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

**128th General Assembly
Regular Session
2009-2010**

Sub. S. B. No. 90

Senators Kearney, Seitz

**Cosponsors: Senators Wagoner, Morano, Goodman, Smith, Turner,
Schiavoni, Miller, D., Gibbs, Schaffer**

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A BILL

To enact section 5709.89 of the Revised Code to
authorize local governments to exempt homes that
have been vacant for at least twelve months from
property taxation for up to three years when
purchased by an owner-occupant.

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

Section 1. That section 5709.89 of the Revised Code be
enacted to read as follows:

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Sec. 5709.89. (A) For purposes of this section:

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(1) "Vacant home" means a single-family or condominium
dwelling that has not been occupied by the owner or any legal
tenant for the twelve consecutive months immediately preceding the
purchase described in this section. "Vacant home" includes so much
of the land surrounding it, not exceeding one acre, as is
reasonably necessary for the use of the dwelling as a home.

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(2) "Purchase" includes a purchase under a land installment
contract conforming with Chapter 5313. of the Revised Code.

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(3) "School district" means a city, local, exempted village, 17
joint vocational, or cooperative educational school district. 18

(B) For the public purpose of minimizing blight caused by the 19
presence of vacant housing, a board of township trustees or the 20
legislative authority of a municipal corporation, by resolution or 21
ordinance, may exempt from real property taxation vacant homes 22
situated in the township or municipal corporation and purchased 23
for not more than one hundred fifty thousand dollars by an 24
individual whose domicile is in this state and who occupies the 25
dwelling as the individual's principal residence within sixty days 26
after taking possession. The board or legislative authority shall 27
certify a copy of the resolution or ordinance to the county 28
auditor, who shall attach a copy of the resolution or ordinance to 29
each application for exemption. 30

The exemption commences with the tax year in which the deed 31
or other evidence of title is endorsed by the county auditor or, 32
in the case of a land installment contract, the tax year in which 33
the contract is recorded. The exemption ends at the conclusion of 34
the second ensuing tax year, or at the conclusion of the tax year 35
in which the individual ceases to own or occupy the dwelling as 36
the individual's principal residence, whichever occurs earlier. 37
The owner shall apply for exemption as provided in section 5715.27 38
of the Revised Code. 39

Notwithstanding division (C) of section 5713.08 and division 40
(A) of section 5713.081 of the Revised Code, the tax commissioner 41
shall remit any unpaid or delinquent taxes, penalties, and 42
interest charged against a property when the property becomes 43
entitled to the exemption authorized under this section. 44

The exemption and remission apply only to vacant homes 45
purchased on or after the effective date of the resolution or 46
ordinance. 47

(C)(1) Not later than forty-five days before adopting a 48
resolution or ordinance under division (B) of this section, the 49
board or legislative authority shall deliver to the board of 50
county commissioners of each county within which the territory of 51
the township or municipal corporation is located a notice that 52
states the board's or legislative authority's intent to adopt such 53
a resolution or ordinance. The notice shall include a copy of the 54
proposed resolution or ordinance and indicate the date on which 55
the board or legislative authority intends to adopt the resolution 56
or ordinance. 57

(2) The board of county commissioners, by resolution, may 58
object to the exemption. If the board objects, the board may 59
negotiate a mutually acceptable compensation agreement with the 60
board of township trustees or legislative authority. In no case 61
shall the compensation provided to the board exceed the property 62
taxes forgone due to the exemption. The board of county 63
commissioners shall certify its resolution to the board of 64
township trustees or legislative authority not later than thirty 65
days after receipt of the notice. If the board of county 66
commissioners does not object or fails to certify its resolution 67
objecting to an exemption within thirty days after receipt of the 68
notice, the board of township trustees or legislative authority 69
may adopt the resolution or ordinance, and no compensation shall 70
be provided to the board of county commissioners. 71

If the board of county commissioners timely certifies its 72
resolution objecting to the ordinance, the board of township 73
trustees or legislative authority may adopt the resolution or 74
ordinance only after a mutually acceptable compensation agreement 75
is entered. 76

(D) A board of township trustees or the legislative authority 77
of a municipal corporation that exempts property under this 78
section shall require the individual who purchased the vacant home 79

to make annual service payments in lieu of taxes to the county 80
treasurer on or before the final dates for payment of real 81
property taxes. Service payments shall be required for each tax 82
year for which the property is exempt. Each payment shall be 83
charged, collected, and distributed in the same manner and in the 84
same amount as the following property taxes that would have been 85
charged and payable against the property were it not for the 86
exemption authorized under this section: 87

(1) All school district property taxes; and 88

(2) Twenty-five per cent of taxes levied under division (L) 89
of section 5705.19 or section 5705.191 of the Revised Code for 90
community developmental disabilities programs and services 91
pursuant to Chapter 5126. of the Revised Code. 92