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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 273
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Rep. Stephens

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SUMMARY

- Disqualifies all residential property from the 10% nonbusiness property tax rollback, retaining eligibility for nontimber agricultural property.
- Increases the owner-occupancy property tax rollback from 2.5% to 12.5% plus an additional \$75 annual credit.

DETAILED ANALYSIS

Property tax rollbacks

Continuing law authorizes several property tax credits, which are direct reductions of tax liability, i.e., the amount of tax owed on the property. Most homeowners benefit from two credits that the bill modifies. The first credit, known as the 10% nonbusiness property tax rollback, reduces taxes owed on certain property tax levies by 10%. This credit, under current law, applies generally to one-, two-, or three-family dwellings, regardless of whether a dwelling is owned or leased, and agricultural land, except for timber land subject to a separate forestry property tax reduction. Under current law, the second credit, known as the 2.5% homestead rollback, reduces by an additional 2.5% such tax on owner-occupied dwellings that serve as a taxpayer's primary residence and up to one acre of land ("homestead"). Under continuing law, new and replacement levies approved by voters at elections held in or after November 2013 are not eligible for either rollback.

The bill disqualifies all residential property from the 10% nonbusiness property tax rollback, retaining eligibility for nontimber agricultural property.¹ The bill also increases the

¹ R.C. 319.302 and 4503.06.

owner-occupancy rollback from 2.5% to 12.5% of qualifying taxes, plus an additional \$75 annual credit.²

Application date

The bill's modifications begin to apply for tax years ending after the bill's 90-day effective date or, in the case of homes that are subject to the manufactured home tax, tax years commencing after that date. The difference in application is accounted for by the fact that manufactured home tax is payable on a current-year basis, whereas property tax is payable in arrears.³

HISTORY

Action	Date
Introduced	05-13-25

ANHB0273IN-136/sb

² R.C. 323.152.

³ Section 3.