



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 232
(with AM0509 and
AM0663-1)
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 232's Bill Analysis](#)

Version: In House Ways and Means

Primary Sponsors: Reps. A. Mathews and D. Thomas

Local Impact Statement Procedure Required: Yes

Kyuhan Choi, Economist

Highlights

- Tighter limits on property tax complaints by parties other than property owners could reduce tax revenue by an uncertain amount.

Detailed Analysis

Property tax complaint changes

The bill tightens limits imposed by H.B. 126 of the 134th General Assembly on property tax complaints by parties other than property owners. These provisions will tend to reduce, by an uncertain amount, tax revenue to school districts and other political subdivisions.

The bill provides that a political subdivision can file a property tax complaint with respect to property the subdivision does not own only if the complaint is based on a sale, evidenced by a conveyance fee statement or other proof of sale, that occurred during the two years preceding the tax year for which the complaint is filed. This provision would go into effect on the bill's effective date. Current law requires that the property was sold before that year but does not expressly include any limit on when that sale occurred.

The bill requires that before a complaint is filed by a third party acting on the subdivision's behalf, the subdivision must adopt a resolution authorizing the complaint. This extends current law requiring a subdivision, before filing a complaint, to adopt such a resolution. The bill requires a third-party complainant to file an affidavit with a board of revision complaint stating whether the complainant is or is not acting on behalf of a subdivision. This provision would go into effect on the bill's effective date.

The bill requires that if a subdivision, or a third party acting on a subdivision's behalf, files a complaint that does not comply with property tax complaint filing requirements, the subdivision or third party must pay the property owner's costs and attorney's fees incurred in

connection with the complaint. If the prosecuting attorney has a conflict of interest regarding the complaint, the collection action may be referred to a private attorney or collection agency. This change applies only to original complaints filed on or after the bill's effective date.

A school district would be prohibited by the bill from filing a property tax counter-complaint unless the original complaint was filed by the owner or lessee of the property, or a person acting on behalf of either. This remedial change to clarify existing law would apply to tax year 2022 and years thereafter. Under current law, school districts may file a counter-complaint with respect to any complaint, so long as the complaint seeks at least a \$50,000 change in the property's fair market value.

The bill extends a current prohibition on a legislative authority entering into a private payment agreement with regard to a property tax complaint to any person acting on behalf of the legislative authority. This change would apply to agreements entered into on or after the bill's effective date. However, in continuing law a "private payment agreement" does not include an agreement to resolve a claim in which an agreed value for the subject property is approved by the county auditor and reflected on the tax list.

The bill extends the prohibition in current law on political subdivisions appealing Board of Revision (BOR) decisions to the Board of Tax Appeals, prohibiting also appeals by third-party complainants. This bill provision applies to any BOR decision from July 21, 2022, except that the limitation on appeals by third parties applies to BOR decisions on or after the bill's effective date.