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# OHIO LEGISLATIVE SERVICE COMMISSION

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## Substitute Bill Comparative Synopsis

**Sub. H.B. 335**

**136<sup>th</sup> General Assembly**

House Ways & Means

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_136_1566-1)
<b>Inside millage</b>	
<p>States the General Assembly's intent to amend the bill to do the following, beginning for tax year 2025:</p> <ul style="list-style-type: none"><li>▪ Except for townships, disallow unvoted property taxes within the ten-mill limitation ("inside millage").</li><li>▪ Authorize a township to continue to levy inside millage, for any existing purpose, but only up to the rate it levied in tax year 2024.</li></ul> <p>(Section 4.)</p>	<p>Beginning for tax year 2025, does all of the following respecting inside millage:</p> <ul style="list-style-type: none"><li>▪ Except for townships, disallows the levy of inside millage, including inside millage debt levies. As part of that disallowance, repeals special inside millage levies authorized under current law, e.g., county levies for roads, veterans service commissions, and soil and water conservation districts and municipal levies for police and fire pension payments.</li><li>▪ Allows townships to continue to levy inside millage but limits the rate they may levy to no more than the aggregate rate they levied in tax year 2024.</li><li>▪ Allows townships to levy the inside millage for any currently lawful purpose, e.g., current expenses, permanent</li></ul>

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	<p>improvement, cemeteries, roads, and debt.</p> <ul style="list-style-type: none"> <li>▪ Guarantees against county budget commission reduction the same share of township inside millage shielded from reduction under current law, i.e., two-thirds of the inside millage they levied in the last five years of the 15-mill limitation back in the 1920s.</li> <li>▪ Makes several conforming changes to remove the concept of nontownship inside millage from procedures related to levy law and debt limits.</li> <li>▪ Repeals authority for a township park district to levy up to one inside mill but increases the millage the district can submit to voters at one time from two to three mills.</li> <li>▪ Waives, until tax year 2027, the requirement that schools levy at least 20 mills in property and converted income taxes as a condition of receiving state foundation funding.</li> </ul> <p><i>(R.C. 511.27, 3317.01, 5705.02 and 5705.31, with conforming changes in R.C. 118.03, 118.15, 133.01, 133.18, 133.25, 306.40, 307.201, , 323.152, 345.01, 345.05, 345.07, 511.18, 511.28, 511.34, 513.13, 513.18, 703.372, 725.01, 725.05, 725.07, 725.09, 742.33, 742.34, 742.54 (repealed), 757.01, 759.341, 940.05, 940.08, 940.12 (repealed), 940.15, 940.33, 1545.041, 1545.16, 1545.20 (repealed), 1545.21, 1545.40, 3311.20, 3311.21, 3315.10, 3318.06, 3318.062, 3318.36, 3318.45, 3349.13 (repealed), 3349.25, 3354.11, 3354.12, 3355.08, 3355.09, 3357.021, 3357.11, 3358.11, 3381.08, 3381.16, 3709.29, 5555.44, 5555.48, 5555.49 (repealed), 5555.50, 5555.91 (repealed), 5555.92 (repealed), 5705.03, 5705.04, 5705.05, 5705.06, 5705.07 (repealed), 5705.10, 5705.18, 5705.19, 5705.191, 5705.192, 5705.194, 5705.196, 5705.197, 5705.199, 5705.20, 5705.21, 5705.212, 5705.213, 5705.215, 5705.217, 5705.218,</i></p>

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	<p>5705.2111, 5705.2112, 5705.2113, 5705.2114, 5705.22, 5705.221, 5705.222, 5705.23, 5705.233, 5705.24, 5705.25, 5705.251, 5705.26, 5705.28, 5705.29, 5705.311 (repealed), 5705.312 (repealed), 5705.313 (repealed), 5705.314 (repealed), 5705.315 (repealed), 5705.34, 5705.341, 5705.35, 5705.37, 5705.51, 5705.55, 5705.72, 5709.40, 5709.42, 5709.43, 5709.45, 5709.46, 5709.47, 5709.73, 5709.74, 5709.75, 5709.78, 5709.913 (repealed), 5747.51, 5747.52, 5748.02, 5748.04, 5748.08, 5748.09, 5901.11, 6109.18, 6115.45, 6115.46, 6115.49, 6119.17, 6119.18, 6119.31, 6119.32, and 6119.36.)</p>
<b>School district inside millage shifting</b>	
<p>Prohibits school districts from changing to purpose of inside millage in a manner that would result in the school district collecting more overall property tax revenue. Such an instance may occur in interaction with the 20-mill floor if a district shifts its inside millage from current expenses to another purpose, such as permanent improvements. <i>(R.C. 5705.314.)</i></p>	<p>No provision. (This is removed due to the bill's disallowance of school district inside millage.)</p>
<b>Fixed-sum levy adjustments</b>	
<p>Requires the Tax Commissioner to annually compute and certify to county auditors the adjusted rate of levies that are designed to raise a set amount of money each year ("fixed-sum levies") and requires county auditors to apply those rates <i>(R.C. 5705.60)</i>.</p>	<p>Same, except clarifies that the county auditor is required to further reduce the rate certified by the Tax Commissioner to account for state tangible personal property tax payments made to the subdivision <i>(R.C. 5705.60)</i>. (These payments and reductions are required under current law.)</p>
<b>20-mill floor inflation reduction computation</b>	
<p>Authorizes a property tax credit for the owners of property located in a school district on the 20-mill floor property tax floor, with the goal of limiting a district's total property tax revenue growth from the floor to the rate of inflation <i>(R.C. 319.303)</i>.</p>	<p>Same, but clarifies that, when calculating the credit, the formula must treat any local option homestead exemption approved pursuant to the bill's new authorization in the same manner as it treats the existing state homestead exemption. Generally, the formula considers a school district's property tax revenue before any credits. <i>(R.C. 319.303.)</i></p>