



OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 156
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 156's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. T. Hall and Isaacsohn

Local Impact Statement Procedure Required: No

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Highlights

- The bill freezes property tax payments for qualifying homeowners. Assuming an effective date of tax year (TY) 2027, property taxes would be frozen at the amount paid in TY 2026. Local taxing authorities would not incur any revenue losses because the bill directs the GRF to reimburse foregone revenue. GRF expenditures will increase beginning in FY 2028.

Detailed Analysis

The bill proposes a property tax reduction for householders who meet all of the following conditions: the householder is at least 65 years old, has lived continuously in their home for two or more years, has an annual total income of \$50,000 or less (adjusted for inflation in subsequent years), and owns a home with a true value under \$500,000.

Assuming the bill takes effect beginning in tax year (TY) 2027, the property tax reduction effectively “freezes” property tax payments for that year and local taxing authorities will be reimbursed by the GRF. Because property taxes are paid in arrears, only the February 2028 payments will be reflected in FY 2028, estimated between \$42.1 million and \$58.6 million. The table below presents the estimated GRF expenditures for FY 2028 through FY 2032.

LBO estimated these potential GRF expenditures by first estimating the total amount of property tax paid by qualifying homeowners using data from the American Community Survey (ACS). Based on 2023 ACS, LBO estimates that approximately 725,000 homeowners will benefit from this bill among 3.3 million homeowners in Ohio. Given volatility of property taxes in recent years, LBO presents estimates under both low- and high-growth scenarios for taxable property values, representing the lower and upper ends of the range.

Additional GRF Expenditures for FY 2028-FY 2032	
Fiscal Year	GRF Expenditures (\$ in millions)
FY 2028	\$42.1-\$58.6
FY 2029	\$127.9-\$178.8
FY 2030	\$217.1-\$305.5
FY 2031	\$309.8-\$438.9
FY 2032	\$406.1-\$579.5

Note: Additional GRF expenditures will continue to accrue in future years, but only the first five years are displayed.

The costs associated with the property tax reduction will continue to compound over the years, which is shown in the table. As property values rise and new levies are introduced, the amount of property tax paid by homeowners generally increases, which in turn drives up the reimbursements from the GRF. Additionally, the number of qualifying homeowners will fluctuate over time, as some may move, pass away, or otherwise become ineligible. At the same time, new homeowners will become eligible as they meet the bill's requirements, further impacting the total cost and the number of reimbursements required.

Qualifying homeowners of this freeze (approximately 22% of all owner-occupied homes) would not be affected by newly proposed property tax levies, shielding these homeowners from future local tax growth, particularly for seniors on fixed or limited incomes. This reduced exposure to new levies could also influence voter decisions on future local tax measures, as a significant share of residents would not pay higher taxes if new ballot questions were approved by voters.