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H.B. 266
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Lorenz and Gross

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SUMMARY

- Authorizes a $300 property tax credit, for the next five years, for owner-occupied homes that have been continuously owned for at least one year.
- Reimburses local taxing units from the GRF for the resulting reduction in taxes in the same manner as other homestead exemptions.

DETAILED ANALYSIS

Temporary credit: continuously owned homesteads

The bill authorizes a temporary property tax credit of up to $300 for owner-occupied homes ("homesteads") that have been continuously owned and occupied for at least one year before the start of the tax year for which the homeowner first applies for the credit. The credit cannot reduce tax liability below zero. A homeowner must apply to the county auditor to receive the credit. After this initial application, no further application is needed to maintain the credit, but the auditor must be notified if the homestead no longer qualifies. These ownership, application, and notification requirements are the same as those required under continuing law for the homestead exemptions and the 2.5% owner-occupancy credit. Also, like those tax reductions, the bill's credit applies to manufactured and mobile homes regardless of whether they are taxed as real property or subject to the manufactured home tax.

The bill's credit would become available in the first tax year ending or, in the case of a manufactured or mobile home on the manufactured tax list, beginning on or after the bill's 90-day effective date, and continue to be available for the following four tax years only. 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.[1]

Reimbursement of local taxing units

As with the current homestead exemptions and owner-occupancy credit, local taxing units are reimbursed by the state for the reduction in property tax revenue that results from the bill's credit. The reimbursement is paid from the GRF semiannually or annually.[2]

HISTORY

Action	Date
Introduced	05-13-25

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[1] R.C. 323.152(C) and 323.153.

[2] R.C. 323.156.