



Ohio Legislative Service Commission

Bill Analysis

Mackenzie Damon

S.B. 127

130th General Assembly
(As Introduced)

Sen. Jordan

BILL SUMMARY

- Authorizes a property tax reduction for parents of home schooled children equal to the school district property taxes levied on the parents' homestead by the district in which the homestead is located.

CONTENT AND OPERATION

Property tax reduction for parents of home schooled children

The bill authorizes a property tax reduction for parents of home schooled children. The reduction equals the school district property taxes levied on the parents' homestead by the district in which the homestead is located. Homeowners may begin receiving the reduction for tax year 2014.¹

Requirements for receiving the reduction

To qualify for the tax reduction, a homeowner must be the parent of a child who has been excused from school attendance by the superintendent of the school district in which the child resides. The child must receive instruction at the parent's residence from a person qualified to teach in the areas required for the advancement and needs of the child.

The reduction applies to the home owned and occupied by the home school parent as the parent's principal residence. Under the bill, if a child's parents are divorced or separated, the "home school parent" is the parent who is the residential parent and legal custodian of the child. If one or both parents own more than one

¹ R.C. 323.16(B).

dwelling in the same school district during a tax year, the reduction applies only to the home that the home school parent occupies for the plurality of the year.

The reduction is allowed in addition to the 2.5% and 10% rollbacks and, if the parent qualifies, the homestead exemption for homeowners who are elderly or disabled. If the parent operates a business from the homestead, the reduction must be reduced in proportion to the portion of the homestead that is used to conduct the business.²

Reduction application

To receive the reduction, the home school parent must apply to the county auditor of the county in which the homestead is located. The application may require no more information than is necessary to establish the parent's eligibility for the reduction and the reduction amount. With the application, the parent must submit a certified copy of papers filed by the superintendent of the school district in which the child resides that show the qualifications of the person who home schools the child.

If the parent is seeking a reduction in real property taxes, the application is due between the first Monday of January and the first Monday of June of the tax year for which the reduction is sought. If the parent is seeking a reduction in manufactured home taxes, the application is due between the same period of the year that precedes the year for which the reduction is sought. A parent may file a late application between the first Monday of January and the first Monday of June of the year that immediately follows a year for which a reduction is sought; if the county auditor determines that the parent was entitled to the reduction for that prior year, the parent may receive the reduction retrospectively in the form of a refund.

The county auditor must approve or deny an application for tax reduction no later than the first Monday in October following receipt of the application. If the auditor denies an application, the auditor must provide the reasons for the denial. The applicant may appeal a denied application to the county board of revision.

The bill prohibits an applicant from making a false statement on a tax reduction application. Each application must include a statement that falsifying information in order to receive the reduction results in revocation of the right to receive the reduction for three years.³

² R.C. 323.16(A), (B), and (F).

³ R.C. 323.16(C) and (D). These provisions are the same as for the existing homestead exemption.

Adjustments to school district payments or reduction amounts

The bill requires that, when allotting the portion of county property taxes payable to a school district after each tax settlement, the county auditor and treasurer must provide for a reduction in the school district's allotment equal to the total amount of tax reductions allowed to home school parents residing in the district. The bill also allows the county budget commission to lower the total tax reductions allowed for a tax year if, after the allocation of all county levies within the ten-mill limitation to debt charges as required by law, there are insufficient funds for the payment of debt charges not provided for by levies outside of the ten-mill limitation.⁴

HISTORY

ACTION	DATE
Introduced	05-14-13

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⁴ R.C. 323.16(E) and (G) (similar to the homestead exemption).

