Taxation

H.B. 14

Primary Sponsors: Reps. Roemer and Workman

Effective date: Emergency: March 7, 2025

- Incorporates changes to federal tax law taking effect since March 15, 2023, into Ohio income tax law.

H.B. 124

Primary Sponsors: Reps. D. Thomas and T. Hall

Effective date: March 20, 2026

Representative samples for property tax sales assessment

- Requires the Department of Taxation (TAX) to consider only a representative sample of arm's length property sales submitted by county auditors when conducting sales assessment ratio studies as part of its function to adjust, or "equalize," proposed property values.
- Authorizes TAX to appeal a county auditor's sample as unreasonable or unlawful to the Board of Tax Appeals (BTA).

H.B. 129

Primary Sponsor: Rep. D. Thomas

Effective date: March 20, 2026

- Requires that current expense fixed-sum levies be included in the calculation of a school district's 20-mill floor or a joint vocational school district's 2-mill floor for property tax purposes, as follows:
  - Includes existing emergency and substitute levies in the first tax year, beginning in tax year 2026, in which a county in which the district has territory undergoes a reappraisal or triennial update.
  - Includes existing growth and conversion levies and fixed-sum property taxes levied with a school district income tax beginning in tax year 2026.
- Allows school districts to levy property taxes that will generate a fixed sum of money in the following three circumstances:

- A district that levies an emergency levy that was approved by voters before 2026 may renew that levy as a fixed-sum levy;
- A district that levies a substitute levy that was approved by voters before 2026 may renew that levy as a fixed-sum levy at up to the sum the substitute levy collected in its final year;
- A district may levy a fixed-sum levy if it is in fiscal emergency, watch, or caution, or if the U.S. President or the Governor has declared an emergency impacting the district.

- Requires that any new fixed-sum levy must be levied for current operating expenses and may only be levied for up to five years.

H.B. 186

Primary Sponsors: Reps. Hoops and D. Thomas

Effective date: March 20, 2026; appropriations effective December 19, 2025

Tax credit for property in school districts on 20-mill floor

- 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.
- Applies to all eligible property in the state beginning in tax year 2025.
- Authorizes payments to school districts located in counties that underwent a reappraisal or update in tax years 2023 and 2024 so that such districts are temporarily guaranteed to receive at least the same amount of property tax revenue they received in tax year 2024.
- Requires the first installment of those payments to be made from the Expanded Sales Tax Holiday Fund, which the act appropriates, and cancels any expanded sales tax holiday scheduled to occur in August 2026.

Property tax rollbacks

- Modifies the 10% and 2.5% property tax rollbacks for residential property, with the effect that the total rollback for owner-occupied homes will increase, from 12.5% to 15.38%, and the rollback for all other residential property will be eliminated.

Property tax abstract

- Requires that, when a county auditor submits a property tax abstract to the county board of revision (BOR) for review, the auditor must also send a copy to the Tax Commissioner.

H.B. 309

Primary Sponsor: Rep. D. Thomas

Effective date: March 20, 2026

County budget commissions

- Limits a requirement that county budget commissions (CBCs) approve all properly authorized voted property tax levies without modification to only the first year of a levy's collection.
- Authorizes CBCs to reduce property tax levies, provided they are not otherwise required to approve them without modification, to avoid unnecessary or excessive collections.
- Defines "unnecessary collections" as those beyond the reasonably anticipated financial needs of the taxing authority for the specific purpose of the tax after accounting for current fund balances, projected expenditures, and other available funding sources.
- Defines "excessive collections" as those in an amount or a rate that exceeds what is required to provide services at a level that is consistent with statutory obligations.
- Limits CBC authority to reduce levies collected for the use of majority-elected taxing units below what the levies collected in the prior year or, for school districts, below 20 mills except by request of the school district.
- Provides that school districts will not lose state education funding when levying less than 20 mills of property tax for current operating expenses if doing so under an adjustment made by the CBC pursuant to a request authorized under current law.

Fixed-sum levies

- Requires the Tax Commissioner to annually adjust the rate of a fixed-sum levy so that it will continue to raise the sum approved by voters and to certify that adjustment to county auditors.

H.B. 335

Primary Sponsor: Rep. D. Thomas

Effective date: March 20, 2026

Tax levy rates

- Requires each county budget commission (CBC), in the county's reappraisal or update year, to adjust the rate of each inside millage levy to limit any increase in its revenue to the GDP deflator growth over the three preceding years.
- Allows a subdivision to request that the CBC increase the levy rate to collect the same amount as the previous year if the subdivision's inside millage collections would not increase in a reappraisal year.

- Allows a subdivision that elects to temporarily reduce an inside millage levy to base the calculation of the act's limit in subsequent years on the collections of the year preceding the voluntary reduction.