School District Property Taxes in Ohio

Legislative Budget Office of the
Legislative Service Commission
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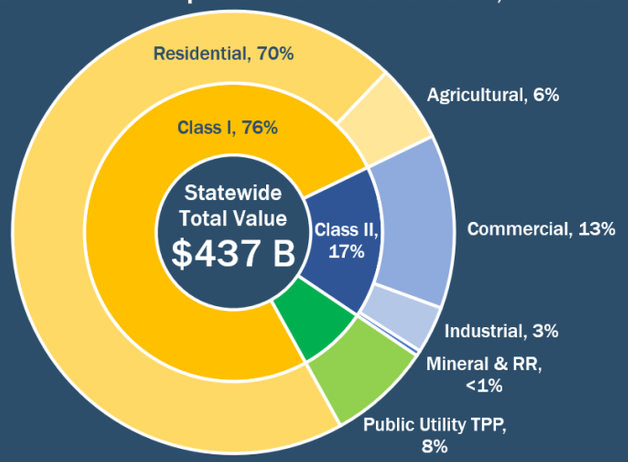
Taxable Value X Tax Rates = Tax Revenue

Taxable Value

Real Property is generally assessed at 35% of true value. Public Utility Tangible Personal Property (TPP) is assessed at rates ranging between 24% and 88%.

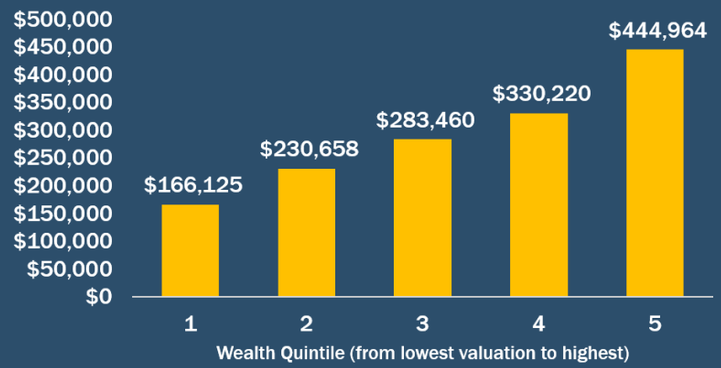
Residential and agricultural property comprise roughly 76% of state total taxable value

Statewide Composition of Taxable Value, TY 2025



District property values per pupil vary widely

Avg. Taxable Value Per Pupil by Wealth Quintile, FY 2027



Tax Rates

Types of property tax levies

Generally, school districts use five different types of levies:

Unvoted	Within 10 mill limitation (inside mills)
Require voter approval	Current expense (operating) levies
	Emergency and substitute levies (these cannot be newly approved or renewed starting in 2026)
	Permanent improvement levies
	Bond debt service levies

Tax reduction factors and the 20-mill floor

Ohio limits tax revenue growth on existing (previously taxed) real property by applying tax reduction factors to certain levies, which lower millage rates below the voted rate. However, a school district's combined real property millage from current expense levies and inside mills for operating expenses cannot fall below 20 effective mills (the "20 mill floor").

- 470 (77%) districts, mainly in rural or small town areas, were on the floor in at least one class of real property in TY 2025

Inflation Cap Credits and Temporary State Guarantee

Beginning in TY 2025, owners of real property in districts on the 20-mill floor receive a property tax credit that limits growth in taxes from voted current expense levies to the rate of inflation.

- Credits total $325 million for 453 (74%) districts for TY 2025
- TY 2025 credits apply to second-half tax bills (due in FY 2027)

The state provides a temporary payment to school districts located in counties that underwent reappraisal or triennial update in TY 2023 or TY 2024 to guarantee that such districts' TY 2025 tax revenue does not fall below the amount from TY 2024.

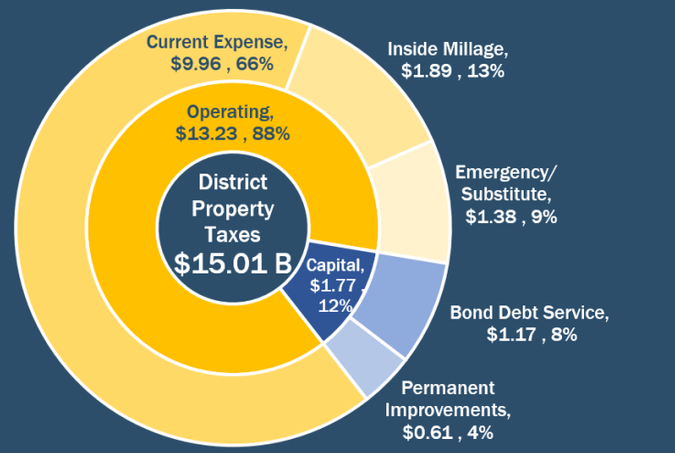
- Payments total $296 million for 366 (60%) districts in FY 2027

Statewide, school districts levied a weighted average of about 34 effective mills across all types of property taxes, net of inflation cap credits, in TY 2025

Tax Revenue

School districts raised $15.0 billion in property taxes for TY 2025, mostly for operating expenses

School District Property Tax by Levy Purpose and Major Levy Type ($ in billions), TY 2025



The state pays $1.3 billion of school property taxes each year through various property tax relief programs

The state reimburses school districts for the following credits that lower the tax paid by qualifying property taxpayers:

- Rollbacks: 10% of tax on all residential and agricultural property and additional 2.5% of tax on owner-occupied homes
  - ◊ Apply to levies enacted prior to November 2013
  - ◊ 10% credit on residential property begins four-year shift to only owner-occupied homes in TY 2026
- Homestead exemption for the elderly or disabled
  - ◊ Means-tested for those who became eligible after 2013; $41,000: the earning limit for 2026
  - ◊ Standard threshold: exempts the first $29,000 of true value; Enhanced threshold: $58,000 for disabled veterans and spouses of certain deceased public service officers. Both thresholds are adjusted for inflation each year.