

Ohio House passes bill to combat rising home values, but property tax challenges remain

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The Ohio House passed legislation Wednesday to change how home values are calculated in an effort to blunt the impact of property tax increases.

But the state's tax woes are still far from resolved.

House Bill 187 would require the tax commissioner to use three years' worth of home sale data to determine home values in 2023, 2024 and 2025, instead of only the most recent year. That change would lower the value increases for some owners significantly. Butler County, for example, would drop from an average of 42% to 25%.

Rep. Thomas Hall, R-Madison Township, said this bill is only a temporary fix until lawmakers can hash out a more permanent solution. Republicans and Democrats have proposed several ideas to alleviate the property tax burden, such as limiting increases for low-income Ohioans and freezing taxes for certain residents over 70.

"It's not that people don't want to pay taxes," Hall said. "These steep increases are really what's killing people."

The bill also changes the calculation for farmland, which is valued based on its agricultural use. And the tax commissioner, who reviews counties' valuations, would no longer be able to order auditors to adjust them if the commissioner believes something is off.

"It's a bill that puts the property tax calculation more into the local governments as opposed to here in Columbus," House Speaker Jason Stephens, R-Kitts Hill, said.

County auditors, schools oppose House Bill 187

Not everyone is convinced House Bill 187 is a solution.

The proposal would reduce the projected increase in tax collections to school districts and local governments by an estimated \$539 million, according to a fiscal analysis by the Legislative Service Commission. House Democrats said

they heard from school superintendents who were alarmed at the prospect of smaller revenue increases.

County auditors and treasurers also aren't on board. Their associations issued a statement Wednesday saying the bill would "wreak havoc" on the tax collection process and require counties that already finalized values to redo their numbers. It could also lead to different tax amounts for the first and second half of 2024, they warned.

Timing is of the essence if lawmakers want to make a dent in next year's tax bills. The measure now heads to the Senate, but the House didn't have enough votes Wednesday to add an emergency clause that would let it take effect immediately. Despite that, Hall believes lawmakers can push the matter to mid-November.

Others say it's too late.

"There is a very good possibility that this is not going to be done in time for the beginning of the year," Rep. Daniel Troy, D-Willowick, said.