



Ohio Revised Code

Section 135.807 Delivery of lien certificate to eligible lending institution.

Effective: January 30, 2014

Legislation: House Bill 72 - 130th General Assembly

(A) A property tax payment linked deposit program shall provide for the delivery of a lien certificate to an eligible lending institution making payment to the county treasurer, pursuant to a loan agreement between the eligible lending institution and eligible borrower, of some or all of the taxes then due on the homestead of that eligible borrower.

(B)(1) To ensure uniformity among all counties, the tax commissioner shall prescribe the form for a lien certificate delivered pursuant to division (A) of this section, which form shall include the identity of the homestead, the eligible borrower, the eligible lending institution, the amount of taxes paid by that eligible lending institution, and the tax year for which the taxes were paid. The tax commissioner shall distribute the forms to the county treasurers of all counties in which a property tax payment linked deposit program is established.

(2) A county treasurer shall use the lien certificate form prescribed by the tax commissioner, except that, prior to the time that a lien certificate form is prescribed and the forms are distributed by the tax commissioner, the form shall be prepared by the county treasurer of the county, contain the information required by division (B)(1) of this section, and include the following sentence: "This lien certificate is delivered pursuant to section 135.807 of the Revised Code and vests in the eligible lending institution the first lien held previously by the state and its taxing districts for the amount of taxes paid by the eligible lending institution, together with any and all unpaid interest thereon."

(C)(1) The delivery of the lien certificate pursuant to division (A) of this section vests in the eligible lending institution the first lien held previously by the state and its taxing districts for the amount of the taxes paid by the eligible lending institution, together with any unpaid interest thereon from the date of delivery at the interest rate specified in the loan agreement between the eligible lending institution and the eligible borrower. The lien is superior to any subsequent tax liens.

(2) Subject to division (C)(3) of this section, the lien certificate delivered pursuant to division (A) of this section is superior to all other liens and encumbrances upon the homestead described in that



lien certificate, and the lien continues in full force and effect until the amount of all taxes paid by the eligible lending institution, together with any unpaid interest thereon, has been repaid to the eligible lending institution.

(3) With respect to the priority as among first liens of the state and its taxing districts, the priority is determined by the date that the first liens of the state and its taxing districts attached pursuant to section 323.11 of the Revised Code, with first priority to the earliest attached lien and each immediately subsequent priority based upon the next earliest attached lien.

(D) The eligible lending institution may record the lien certificate or memorandum thereof as a mortgage on the land in the office of the county recorder of the county in which the homestead is situated. The county recorder shall record the certificate in the official records provided for in section 317.08 of the Revised Code and shall index the certificate in the indexes provided for under section 317.18 of the Revised Code. If the lien subsequently is canceled, the cancellation also shall be recorded by the county recorder. When a loan is repaid in full, the eligible financial institution shall promptly record the full payment and cancel or otherwise release the lien. On repayment of the loan in full, the lien certificate shall be null and void.