



## Ohio Revised Code

### Section 307.781 Unpaid or delinquent tax line of credit.

Effective: April 7, 2009

Legislation: Senate Bill 353 - 127th General Assembly

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(A) As used in this section:

(1) "Current year unpaid taxes" and "current year delinquent taxes" have the same meanings as in section 321.341 of the Revised Code.

(2) "Collection year" means the year in which current taxes are payable under section 323.12 of the Revised Code, including any extension under section 323.17 of the Revised Code.

(3) "Current unpaid or delinquent tax line of credit" means a line of credit under which the county treasurer is authorized to make one or more draws for the purpose of making advance payments to the taxing authorities of the county in anticipation of the collection of current year unpaid taxes and current year delinquent taxes as prescribed by this section.

(B) Upon the written request of the county treasurer, the board of county commissioners of a county in which a county land reutilization corporation is organized under Chapter 1724. of the Revised Code may enter into a current unpaid or delinquent tax line of credit with a public depository, as defined in section 135.01 of the Revised Code, for the purpose of making advance payment of current year unpaid taxes or current year delinquent taxes under section 321.341 of the Revised Code in the current collection year, provided that all of the following apply:

(1) The board approves the terms and execution and delivery of the current unpaid or delinquent tax line of credit by majority vote and the county prosecuting attorney approves its form.

(2) The maximum aggregate available amount under the current unpaid or delinquent tax line of credit does not exceed ninety per cent of the amount of the current year unpaid taxes or current year delinquent taxes for the current collection year.



(3) The maximum term for repayment of draws on the line of credit shall be five years.

(4) Repayment in full of each draw on the line of credit, plus any accrued and unpaid interest thereon, shall be required to be made not later than the last day of the term of the line of credit.

(C) A board of county commissioners may enter into a new current unpaid or delinquent tax line of credit for a collection year if, at that time, there are no unreimbursed draws, including any accrued interest on the draws, outstanding from a prior line of credit after the termination date thereof.

(D) The general terms of the current unpaid or delinquent tax line of credit shall be set forth in the resolution of the board of county commissioners authorizing the execution and delivery of the line of credit, or a form of the current unpaid or delinquent tax line of credit and ancillary agreement, if any, providing for the terms and conditions governing the line of credit shall be attached as an exhibit to the resolution. Except as otherwise provided in this section, a resolution authorizing the execution and delivery of a line of credit may include other provisions approved by the board in the resolution and the exhibits.

(E) The reimbursement of draws under a current unpaid or delinquent tax line of credit, together with interest, shall be secured by a pledge of and security interest in the current year unpaid or current year delinquent taxes, or both, and may be secured by such other legally available sources as the board in its discretion determines in its authorizing resolution. The board of county commissioners shall, by resolution, make a pledge of and grant a security interest in the applicable current year unpaid taxes or current year delinquent taxes and any other legally available resources. The current year unpaid taxes or current year delinquent taxes and any other sources pledged or subject to a security interest, which shall be collectively referred to in this section as the "pledged receipts," and thereafter received by the county treasurer or otherwise received, are immediately subject to the pledge and security interest without any physical delivery or further act. The pledge and security interest are valid, binding, and enforceable against all parties having claims of any kind against the county or the county treasurer, whether or not such parties have notice. The pledge shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation, delivery, or possession of the pledged receipts, or for the filing or recording of the



authorizing resolution by which the pledge and security interest are created, or any certificate, statement, or other related document. The pledge of receipts and the security interest are effective, and the money from them may be applied to the purposes for which it is pledged, without requiring an appropriation.

(F) A current unpaid or delinquent tax line of credit is not a general obligation of the county and is not subject to Chapter 133. of the Revised Code.