



Ohio Revised Code

Section 5709.84 Exemption for local railroad operation.

Effective: December 22, 1992

Legislation: House Bill 904 - 119th General Assembly

(A) As used in this section:

(1) "Local railroad operations" means the provision of railroad service by a qualified railroad company within the territorial jurisdiction of a county, township, or municipal corporation, which railroad service replaces railroad service that was discontinued in the territorial jurisdiction of the county, township, or municipal corporation on or after January 1, 1980.

(2) "Qualified railroad company" means a railroad company as defined in division (D)(9) of section 5727.01 of the Revised Code that is formed by a person or governmental entity to provide local railroad operations.

(B) The legislative authority of a county, township, or municipal corporation, by resolution or ordinance, may declare any of the following as being used for a public purpose:

(1) Real and tangible personal property owned by the county, township, or municipal corporation that is leased or otherwise made available to a qualified railroad company for use in local railroad operations;

(2) Real and tangible personal property owned by any other public or any private entity that is leased or otherwise made available to a qualified railroad company for use in local railroad operations;

(3) Real and tangible personal property owned by a qualified railroad company that is used in local railroad operations.

Real and tangible personal property declared as being used for a public purpose under division (B)(1), (2), or (3) of this section is exempt from taxation for a period, not to exceed ten years, specified in the resolution or ordinance declaring the property as being used for a public purpose and commencing on the effective date of the resolution or ordinance. The exemption applies to the



property only in the proportion it is used in local railroad operations within the territorial jurisdiction of the county, township, or municipal corporation that declared it as being used for a public purpose.

The legislative authority shall not take formal action to adopt a resolution or an ordinance that grants a tax exemption under this section until section 5709.83 of the Revised Code has been complied with. Upon adopting the resolution or ordinance, the legislative authority shall transmit a certified copy to the tax commissioner, the county auditor, and the county treasurer.

(C) At any time during the period of an exemption, the legislative authority, without prior announcement and at such times as it considers appropriate or necessary, may inspect the real and tangible personal property so exempted and the financial records and business activities of the qualified railroad company receiving the exemption to verify that the property so exempted is in use for local railroad operations. A qualified railroad company receiving an exemption shall cooperate with the legislative authority in an inspection, and shall provide any information relevant to the exemption that is requested by the legislative authority.

If the legislative authority determines that exempted property is not in use for local railroad operations, or if a qualified railroad company interferes with an inspection or fails to answer a request for information, the legislative authority, by resolution or ordinance, may suspend its declaration under division (B) of this section until it verifies that the qualified railroad company is using the property for local railroad operations, or may revoke the declaration. The legislative authority shall transmit a certified copy of a resolution or ordinance suspending or revoking its declaration to the tax commissioner, the county auditor, and the county treasurer. The county auditor and county treasurer shall place the property on the tax list and duplicate for the tax year in which the resolution or ordinance of suspension or revocation was adopted. The qualified railroad company may appeal the suspension or revocation to the court of common pleas in the county in which the exemption is granted.