



Ohio Revised Code

Section 1728.10 Exemption from taxation.

Effective: December 02, 1996

Legislation: House Bill 627 - 121st General Assembly

(A) The improvements made in the development or redevelopment of a blighted area pursuant to Chapter 1728. of the Revised Code are hereby declared to be a public purpose, and, except as otherwise provided in this division, not more than seventy-five per cent of the assessed valuation of such improvements may be exempted from taxation. With the approval under this division of the board of education of the city, local, or exempted village school district within the territory of which the improvements are or will be located, the portion of the assessed valuation of the improvements exempted from taxation may exceed seventy-five per cent, but shall not exceed one hundred per cent. The governing body shall deliver to the board of education a notice stating its intent to declare improvements to be a public purpose under the agreement. The notice shall be delivered not later than forty-five days prior to execution of the agreement by the governing body, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall describe the parcel and the improvements, provide an estimate of the true value in money of the improvements, specify the period for which the improvements would be exempted from taxation and the percentage of the assessed valuation of the improvement that would be exempted, and indicate the date on which the governing body intends to execute the agreement. The board of education, by resolution adopted by a majority of the board, may approve the exemption for the exemption percentage specified in the notice, may disapprove the exemption for the percentage of the assessed valuation of the improvements to be exempted in excess of seventy-five per cent, or may approve the exemption on the condition that the governing body and the board negotiate an agreement providing for compensation to the school district equal in value to a percentage of the taxes that would be payable on the portion of the assessed valuation of the improvements in excess of seventy-five per cent were that portion to be subject to taxation. The board of education shall certify its resolution to the governing body not later than fourteen days prior to the date the governing body intends to execute the agreement as indicated in the notice. If the board of education approves the exemption on the condition that a compensation agreement be negotiated, the board in its resolution shall propose a compensation percentage. If the board of education and the governing body negotiate a mutually acceptable compensation agreement, up to one hundred per cent of the assessed valuation of the improvements may be exempted from taxation. If the board and the governing body fail to negotiate a mutually acceptable compensation agreement, not more than seventy-five per cent of the assessed valuation of the improvements shall be exempted



from taxation. If the board fails to certify a resolution to the governing body within the time prescribed by this division, up to one hundred per cent of the assessed valuation of the improvements may be exempted from taxation. The legislative authority may execute a financial agreement at any time after the board of education certifies its resolution approving the exemption to the legislative authority, or, if the board approves the financial agreement on the condition that a mutually acceptable compensation agreement be negotiated, at any time after the compensation agreement is agreed to by the board and the legislative authority.

If a board of education has adopted a resolution waiving its right to approve exemptions from taxation granted pursuant to financial agreements and the resolution remains in effect, approval such exemptions by the board is not required under this division. If a board of education has adopted a resolution allowing a governing body to deliver the notice required under this division fewer than forty-five business days prior to the governing body's execution of the agreement, the governing body shall deliver the notice to the board not later than the number of days prior to such execution as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve exemptions or shortening the notification period, the board shall certify a copy of the resolution to the governing body. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the governing body.

If the governing body is not required by this division to notify the board of education of the governing body's intent to execute a financial agreement exempting improvements from taxation, the governing body shall comply with the notice requirements imposed under section 5709.83 of the Revised Code, unless the board has adopted a resolution under that section waiving its right to receive such a notice.

(B) Improvements shall be thus exempted from taxation for a period of not more than thirty years for one, two, or three family residential dwelling units and twenty years for all other uses of the improvements from the date of the execution of a financial agreement for the development or redevelopment of the property upon which the improvements are to be made pursuant to a financial agreement entered into with the municipal corporation in which said area is situated. Any such exemption shall be claimed and allowed in the same or a similar manner as in the case of other real property exemptions and no such claim shall be allowed unless the municipal corporation wherein said property is situated certifies that a financial agreement with a community urban redevelopment corporation for the development or the redevelopment of the property has been entered into and is in effect as required by Chapter 1728. of the Revised Code. In the event that an exemption status changes during a tax year, the procedure for the apportionment of the taxes for that year shall be the same as in the case of other changes in tax exemption status during the tax year.