



## Ohio Revised Code

### Section 321.45 Agreements for payment of current taxes.

Effective: March 11, 2004

Legislation: House Bill 127 - 125th General Assembly

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(A) As used in this section:

- (1) "Taxpayer" means any person in whose name a parcel of property or manufactured or mobile home is listed on the tax duplicate or a vendee of such property under a purchase agreement or land contract.
  - (2) "Prepayment" means any amount given to the county treasurer by a taxpayer under this section for the treasurer to apply as payment of the taxpayer's total taxes due in accordance with this section.
  - (3) In the case of a parcel of property or a manufactured or mobile home listed on the real property tax list, "taxes," "delinquent taxes," and "current taxes" have the same meanings as in section 323.01 of the Revised Code. In the case of a manufactured or mobile home listed on the manufactured home tax list, "taxes" means manufactured home taxes levied pursuant to section 4503.06 of the Revised Code.
  - (4) "Duplicate" means the treasurer's duplicate of real and public utility property and the manufactured home tax list.
- (B)(1)(a) A county treasurer may enter into a written agreement with any taxpayer for the payment of current taxes, upon mutually agreed on terms and conditions, under which both of the following occur:
- (i) The taxpayer agrees to tender prepayments of taxes on a parcel of property or a manufactured or mobile home listed on the tax duplicate in the name of the taxpayer;
  - (ii) The treasurer agrees to accept the prepayments and hold them either in an escrow fund or a separate depository account until the last day that an installment of current taxes may be paid without penalty, at which time the treasurer further agrees to apply, toward the payment of the current taxes



due on the parcel or the manufactured or mobile home, the amount of the prepayments collected on the parcel or the manufactured or mobile home. If a discount is not given under division (B)(2) of this section, any earnings on prepayments in an escrow fund or depository account shall be paid to the credit of a special interest account to be used by the treasurer only for the payment of the expenses incurred in establishing and administering the system for collecting prepayments under division (B)(1) of this section.

(b) A county treasurer and a taxpayer may enter into both a written agreement for the payment of current taxes under division (B)(1)(a) of this section and a written contract for the payment of delinquent taxes under section 323.31 of the Revised Code.

(2) In addition to providing for the items enumerated in division (B)(1) of this section, the agreement may provide for the treasurer to invest prepayments held in the escrow fund or depository account, subject to Chapter 135. of the Revised Code, and apply the investment earnings thereon, after deducting an amount to pay the expenses incurred by the treasurer in establishing and administering the prepayment system, as a discount against the total taxes due of each taxpayer entering into such an agreement. The balance applied to the discounts shall be apportioned among taxpayers in such a manner that the discount credited to a taxpayer for each parcel of property or manufactured or mobile home for which taxes are prepaid is commensurate with the amount of current taxes due, the length of time current taxes are held in escrow, and the expenses incurred by the treasurer to process the prepayments. No discount shall be apportioned to a taxpayer who fails to pay the total taxes due or fails to make prepayments pursuant to the terms of the agreement.

(C) A prepayment accepted by a treasurer under an agreement under division (B) of this section does not constitute a payment of taxes until it is applied toward the payment of taxes as provided in this section. A separate prepayment agreement is required for each parcel of property or manufactured or mobile home, except that a taxpayer who makes prepayments on more than one parcel or manufactured or mobile home may enter into a single agreement covering all of the parcels or manufactured or mobile homes. The single agreement shall specify the manner in which each prepayment shall be apportioned among the parcels or manufactured or mobile homes. The treasurer shall keep either a separate record for each parcel or manufactured or mobile home showing the date and amount of each prepayment or a single record for all of the parcels or manufactured or mobile homes owned by a taxpayer showing the date and amount of each prepayment.



(D) No treasurer shall fail to apply prepayments toward the payment of taxes as required pursuant to an agreement entered into under division (B) of this section.

(E) The treasurer shall give each person who makes a tax prepayment in person at the office of the county treasurer a receipt in the form that the prepayment agreement requires. The treasurer shall give a receipt to a person who makes a tax prepayment to the treasurer by mail only if the taxpayer encloses with the prepayment an addressed envelope with sufficient postage, in which case the treasurer shall insert a receipt for the prepayment in that envelope and deposit it in the mail. The treasurer may refund any amount tendered as a prepayment, if the taxpayer so requests and files with the treasurer an affidavit and the supporting documents the treasurer requires providing that the taxpayer no longer owns the property. The request for the refund shall be made prior to the date of the mailing of a tax bill and escrow statement to the taxpayer. If a taxpayer who has entered into a prepayment agreement pursuant to this section dies before the last day on which an installment of current taxes may be paid without penalty, the treasurer may refund the amount of any prepayments made by that taxpayer to the executor or administrator of the taxpayer's estate.

(F) If the treasurer has received any prepayments from a taxpayer, the treasurer shall add to the tax bill required by section 323.13 of the Revised Code a tax escrow statement that shall specify the total amount of prepayments received by the treasurer on or before the date the statement was prepared, the balance of total taxes due for which no prepayment has been received, the amount of any discount to be applied to total taxes due, and the date the statement was prepared.

(G) If the total amount of a taxpayer's prepayments to the treasurer made on or before the final date an installment of taxes may be paid without penalty do not equal or exceed the current taxes due on that date, any late penalty or interest due pursuant to section 323.121 of the Revised Code shall be assessed on the balance due after the treasurer has applied the prepayments. If the treasurer fails to apply prepayments received by the treasurer's office in accordance with the terms of an agreement and the total amount of the taxpayer's prepayments equals or exceeds the total taxes due, the taxpayer is relieved of any late penalty or interest imposed under section 323.121 of the Revised Code.

(H) The office of the county treasurer shall bear all of the costs of establishing and administering a



system for collecting prepayments as permitted by this section.

(I) Before the county treasurer commences a prepayment system, the tax commissioner shall approve all procedures and forms to be used in the system.

(J) The treasurer may enter into any agreements necessary to enable the taxpayer to make prepayments of taxes to the office of the treasurer through the electronic transfer of funds from an account in the name of the taxpayer at a financial institution, or by credit card.