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December 6, 2019

The Ohio House
Ohio General Assembly

Re: Continued Support of H.B. 75 – Local Political Subdivision Property Tax Complaints

Dear Members of the Ohio House:

On behalf of the Council On State Taxation (COST), I am writing to notify you that COST continues to support H.B. 75, similar to Sub. H.B. 343, which passed the Ohio House last year. While COST would like Ohio to go further and join the majority of states that do not allow local political subdivisions to independently file property tax complaints, H.B. 75 makes significant improvements by requiring a local political subdivision to notify property owners that a property tax valuation complaint may be filed along with requiring a formal resolution process prior to the subdivision contesting a property owner's valuation.

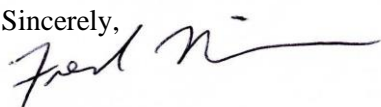
COST is a nonprofit trade association based in Washington, DC. COST was formed in 1969 as an advisory committee to the Council of State Chambers of Commerce and today has an independent membership of approximately 550 major corporations engaged in interstate and international business. COST's objective is to preserve and promote the equitable and nondiscriminatory state and local taxation of multijurisdictional business entities. COST has a significant number of members that own property, have employees, and otherwise have significant operations in Ohio.

Property taxes are important because they typically represent the highest portion of state and local taxes paid by the business community — 38% of all such taxes nationally (33.6% in Ohio).¹ This year, COST, in conjunction with the International Property Tax Institute, issued an updated Scorecard on the "Best and Worst of International Property Tax Administration."² Ohio's overall grade was a "D+." One item attributing to this poor grade is the Ohio local political subdivisions' ability to appeal property owners' valuations.

H.B. 75 will help mitigate instances of unwarranted property tax appeals by local political subdivisions. Such litigation is expensive and hinders Ohio's ability to foster a pro-business economic development environment. Accordingly, COST sees this legislation as a step in the right direction and supports the passage of H.B. 75.

Please let me know if you have any questions.

Sincerely,



Fred Nicely

cc: COST Board of Directors
Douglas L. Lindholm, COST President & Executive Director

¹ COST/EY "Total State and Local Business Tax Burden Study for Fiscal Year 2018," issued October 2019, is available at: <https://www.cost.org/state-tax-resources/cost-studies-articles-and-reports/>.

² COST/IPTI "Best and Worst of International Property Tax Administration," issued June 2019, is available at: <https://www.cost.org/state-tax-resources/cost-studies-articles-and-reports/>.