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Property Tax Credits and Legislative Changes

While the Ohio General Assembly has passed five bills intended to begin addressing concerns with Ohio's property tax system, we won't see all the savings right away. Governor Mike DeWine signed these measures into law on December 19, 2025. Due to the timing and the details of these bills, we will begin to see some savings in 2026 and then in following years.

House Bill 186 changes the rules for the 20-mill floor calculation that applies to most school districts. School taxes make up the largest part of most homeowners' property tax bills, and HB 186 changes how those taxes are calculated. In the past, school districts were required to collect at least a certain amount of tax revenue, known as the *20-mill floor*. Because of that rule, school taxes did not go down even when home values went up. This meant that if your home value increased, your school taxes could also increase, because schools could not collect less than that required minimum. HB 186 changes this by putting a limit on how fast school taxes can rise. Going forward, increases in school taxes will be capped at the rate of inflation instead of matching the full increase in property values. HB 186 does not directly *cut* school funding in the sense of eliminating existing revenue streams, but it *limits future property tax revenue growth tied to rising property*. The bill also includes a one-time adjustment that looks back at recent tax years and recalculates them as if the inflation cap had already been in place.

However, due to the timing of the signing of the bill, we will not see this credit until second half billing.

Another part of HB 186 won't show up until property tax bills are mailed in 2027 (for tax year 2026) and later. The non-business tax credit is applied to residential and agricultural real estate. As levies passed that no longer qualified for the credit, the 10% has decreased slightly for each district. Homeowners who live in their homes also get the owner-occupied credit. This was formerly known as the 2.5% credit. Same as the non-business credit as levies passed that no longer qualified for the credit, the percentage has decreased. HB 186 gradually eliminates the non-business credit on rental and investment properties, moving those dollars to owner-occupied homes instead. Here's how that change rolls out over time and how it will affect qualified tax bills beginning in 2027:

- **Tax year 2026:** Owner-occupied credit rises to 5.70%
- **Tax year 2027:** Owner-occupied credit rises to 8.92%
- **Tax year 2028:** Owner-occupied credit rises to 12.15%
- **Tax year 2029:** Owner-occupied credit reaches 15.38%

House Bill 335 also takes effect in tax year 2026, which means homeowners won't see its impact until 2027. This law limits how much inside millage — taxes local governments collect without voter approval — can grow when property values rise. Instead of rising dollar-for-dollar with home values, those taxes will be slowed, limited to the rate of inflation. This is not a tax cut. Instead, it limits how much your taxes can increase in the future.

House Bill 129 is designed to push school districts off the 20-mill floor. For decades, only certain levies counted toward the floor. This allowed districts to remain at the minimum, triggering sharp tax increases, while still collecting money from other levies. HB 129 puts an end to that by counting more existing levies toward the floor. Brown Local School District residents may see a change from HB 129. However, Carrollton Exempted Village School District does not currently have any levies that would move due to this bill.

House Bill 309 takes effect in 2026, but it does not guarantee lower property taxes. Instead, it gives county budget commissions more power to reduce certain property tax rates if they decide a school district or local government's collections exceed justifiable needs.

House Bill 124 gives county auditors greater control over property valuations. At this time, we don't yet know exactly how this change will affect future property values. One example from Auditor Brady's time in office that she believes could change involves the calculation of land values. When determining land values, the State does not consider sales in which the mineral rights have been reserved to be valid sales. Only valid sales are included in calculating the average price per acre. As a result, several agricultural land sales were excluded from these calculations in recent years. Had those sales been included, agricultural land values per acre likely would have increased more gradually, rather than experiencing the sharper increases seen during the most recent reappraisal.

Additional information regarding these bills can be found at the Ohio Legislature's website:

www.legislature.ohio.gov

In a local effort to support residents, the Carroll County Board of Commissioners voted to double the Owner Occupancy Credit for tax year 2025 (payable in 2026). This increased credit will be reflected on tax bills under "Current Taxes – Owner Occupancy."

Additionally, the Carroll County Board of Developmental Disabilities reduced the millage on the 2009 levy by 0.5 mills. Because this is a countywide levy, all parcels benefit from the reduction, which represents approximately \$17.50 in savings for every \$100,000 of assessed value.

Other adjustments that will reduce property tax for properties within the specific districts include:

| Subdivision | Levy Purpose | TY24 Full Millage Rate | TY25 Full Millage Rate |
|---------------------|------------------------------|------------------------|------------------------|
| Brown Local SD | Emergency (\$523,000) | 3.300 | 1.700 |
| Brown Local SD | Emergency (\$700,000) | 4.450 | 2.300 |
| Sandy Valley LSD | Emergency | 2.700 | 2.500 |
| Southern Local SD | Permanent Improvement | 2.250 | 0.000 |
| Minerva Local SD | Bond | 2.400 | 2.200 |
| Minerva Local SD | Emergency | 4.700 | 4.400 |
| Monroe Township | 2014 Fire & E.M.S. | 2.000 | 1.000 |
| Monroe Township | 1991 Fire & E.M.S. | 1.000 | 0.500 |
| Union Township | Fire (originally voted 0.7m) | 0.400 | 0.400 |
| Washington Township | Fire (originally voted 0.5m) | 0.280 | 0.198 |

Of all the levies approved by the voters for 2026 (tax year 2025), only the Sandy Valley Joint Fire District replacement levy for Fire & E.M.S. at 3 mills will cause an increase in property tax.

The Carroll County Auditor's Office will continue to provide updates as information becomes available, including estimated impacts to qualifying parcels. Residents are encouraged to follow the Carroll County Auditor on Facebook for timely announcements and guidance.

For questions or concerns regarding the valuation of your property, please contact the Carroll County Auditor at 330-627-2250. For more information, visit the Auditor's website at: <https://www.carrollcountyauditor.us/>

For questions concerning your tax bill such as not receiving the bill or changing the mailing address, please contact the Carroll County Treasurer at 330-627-4221.