



County of Hamilton

DUSTY RHODES

AUDITOR

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

WHY PROPERTY TAXES GO UP – Part 2

In addition to the June 29 post there is another reason for higher property taxes.

Because of a change by the State Legislature requested by Governor John Kasich, as of 2014 every new or increased property tax levy is and will be calculated without the benefit of the 10% rollback and 2.5% homestead credit. These new levies have a higher cost to homeowners than previously passed and existing tax levies.

The Governor and Legislature have broken not one, but two clear and specific state promises made to promote and pass state income taxes.

In the early 1970s Governor John Gilligan proposed and the Legislature passed the first-ever state income tax. When the income tax was instituted it was done with the pledge of a ten percent (10%) reduction in local property taxes.

In the early 1980s Governor Richard Celeste sought a higher income tax. The Legislature passed the increase with the provision for an additional two and half percent (2½%) property tax reduction for owner-occupied residences.

Both of these state property tax reductions have now been eliminated on new levies. The promises were conveniently forgotten. This appears to be a minor issue, not understood or recognized by most people, but it means your property taxes will be higher. NOTE: The reductions will continue on levies passed prior to 2014.

This is another example of why many distrust government and political promises. The irony is that as the State of Ohio was telling us we could not count on continuing state support to reduce our property taxes, the State was expanding Medicaid relying on promised future funding from the federal government.

If property owners cannot depend on the State to keep its word, how can the State count on the federal government to keep their promises to Ohio? But now you know another reason why your property taxes are going up.

----Dusty Rhodes----

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