

Tax Exempt Status of Real Property

Which properties are eligible for an exemption on real property taxes?

Property which is used exclusively for charitable or public purposes, such as schools, churches, government buildings, hospitals, and public recreation areas generally qualify as tax exempt. Colleges and universities, nature preserves, children's homes and certain homes for the aged may also qualify.

Which Taxes are exempt?

Owners of exempt properties do not pay any real property taxes. However, any special assessments, such as sewer maintenance or street lighting, which may appear on the tax bill, are not exempt and must be paid by the property owner.

How is an exemption obtained?

An application for real property tax exemption may be obtained by contacting your County Auditor, at 330.287.5690. The auditor's staff can assist you in completing the application.

The completed application must be submitted to the County Auditor's office by December 31st of the year for which the tax exemption is sought. The application will be processed and forwarded to the State Tax Commissioner.

Approval or denial of exempt status is determined by the Tax Commissioner of the State of Ohio, in accordance with Ohio law. A hearing may be held in Columbus to determine if the use of the property fully qualifies for tax exemption.

If an organization was entitled to real property tax exemption and has previously not applied, is the organization entitled to a refund of taxes for the prior year(s) it would have been exempt?

The organization may be eligible for a refund of up to three years of taxes paid, provided the property met all requirements for tax exempt status during those years. The organization must specifically request exemption for prior years on their application.

If a portion of a tax-exempt building is leased to a profit-making business, would this eliminate the tax exempt status of the property?

No, this would not entirely eliminate the tax exempt status of the property. Certain properties are considered part-taxable and part-exempt. The Tax Commissioner must determine which portion of the property is tax exempt.

Once real property tax exemption is granted, is it permanent?

Tax exempt status will carry into future tax years. An owner must reapply if the use of the property changes or the property changes owners. Additions to the property are not automatically considered exempt; new applications must be filed for any new construction.

If a tax exempt organization purchases additional real estate, is this automatically tax exempt?

No, an exempt application must be filed for newly acquired property, even if the property was exempt under the previous owner.

Examples of tax exempt properties

CHURCH PROPERTIES

May be exempt:

- Church Building
- Church School
- Parking Lot
- Church Hall - used exclusively for religious purposes

MUNICIPAL PROPERTIES

May be exempt:

- Parks & recreation areas
- City Hall
- Cultural Centers
- Police & Fire Stations

NON-PROFIT INSTITUTIONS

May be exempt:

- Hospitals
- Homes for the Aged (non-profit, providing care without regard for ability to pay)