Your Fairfield County Auditor's Office:

JUST THE FACTS

January 2026

FAIRFIELD COUNTY · OHIO AUDITOR

Ohio Property Tax Reform

What Changed • Why It Matters • When You'll See It

New Ohio laws limit tax spikes, expand homeowner relief, and slow future increases - unless voters approve them.

More Relief for Homeowners (House Bill 186)

What Changed:

- The **owner-occupancy property tax credit** (for people who live in their homes) is increasing over four years
- Grows from about **2.5% to over 15%; first change in TY 2026**
- The **10% non-business property tax** credit for rental and investment property is being phased out *(agricultural land excluded)*

What this means:

- Homeowners who live in their homes receive **more tax relief**
- Rental and investment properties no longer receive the old credit

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Elimination of Spikes Due to Market Assessments

(ending large increases formally based on market, without a vote)

Inflationary Cap of Reappraisal-Driven Increased (House Bill 335)

- Previously, a portion of property taxes rose when property values increased
- Now, increases tied to **inside millage** are **capped at the rate of inflation**

Effective:

Tax Year **2026** (bills paid in 2027, depending on county reappraisal schedules)

Local Oversight of Tax Rates (House Bill 309)

- County Budget Commissions may review and adjust tax rates when collections exceed justifiable needs
- A **one-year grace period** applies to new voter-approved levies
- Renewed levies are not affected

CONTACT US!

Settlements/Admin – (740) 652-7020 • Real Estate - (740) 652-7030

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School Tax Relief (20-Mill Floor)

Inflation Cap of School Tax Growth (House Bill 186)

- Revenue growth caused by the **20-mill floor** is now limited by inflation

Updated 20-Mill Floor Calculation (House Bill 129)

- Emergency, substitute, and incremental levies will be included in the calculation
- Helps slow school tax increases and move districts off the floor over time
  *A school district is **on the 20-mill floor** when state law requires it to collect at least 20 mills in property taxes—causing automatic tax increases even without new voter approval—and **moving off the floor** means the district will not have the forced increases, allowing tax growth to slow and rely more on voter-approved levies.*

Effective Date: 20-Mill Floor Changes

(House Bill 186)

- The **inflation cap on revenue growth caused by the 20-mill floor (HB 186) applies beginning in Tax Year 2025.**
- These changes will be **reflected in 2026, with credits on the second half tax bill.**

(House Bill 129)

- The updated calculation of the 20-mill floor that includes emergency, substitute, and incremental levies (HB 129) also applies upon guidance from the Department of Taxation, likely no sooner than 2027, as it is tied to revaluation years. **For Fairfield County, the next update is either in 2028 or 2029, based on guidance to come from the Department of Taxation.**

What this means:

- School districts subject to the 20-mill floor will see slower automatic tax growth starting with TY 2025.
- Most homeowners should notice credits with their 2026 second half tax bills.
- The exact impact can vary by district depending on levy structure and valuation changes.

Important clarification:

- These reforms do not reduce voter-approved levies.
- They limit automatic growth that previously occurred without a vote.

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Property Valuation Changes (House Bill 124)

- County Auditors select the sales used to determine property value changes.
- The state may appeal if the sample is unreasonable or unlawful.

The Big Picture

- **$2-$3+ billion** in projected statewide property tax savings.
- **First impact:** Tax bills due **mid-2026**.
- **Larger savings:** Continue through **2027-2029** as credits fully phase in.
- **Future:** Slower increases, tied to inflation.

What This Means For You

- You will likely pay **less than you would have under prior law.**
- You may still see increases if property values rise – but these increases will be **smaller and more predictable, as they will be tied to inflation.**
- Local **voter-approved levies** will increase property taxes.
- **More levies on the ballot are expected.**

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