

Jennifer J Widmer Ottawa County Auditor



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House Bill 186, which came into effect on March 20, 2026, made a couple of changes which will affect property tax bills moving forward.

- 1) The calculation for the 20-mill floor is now limited to inflation.
 - State law requires school districts to collect at least 20 mills in property taxes specifically for general operating purposes—causing **automatic tax** increases even without voter approval when the valuation increases and the effective rate of the levy decreases below 20 mills. This happened to nearly all Ottawa County Schools in the 2024 revaluation. (North Bass and Lake Schools are the exception.)
 - Going forward the school districts will not receive the full impact of the 20-mill floor increase. Instead, the increase will be indexed to inflation.

- 2) 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.
 - **You will see the impact of this in the form of a credit on your second half tax bill payable in July of 2026.**
 - While this adjustment does move us toward more reasonable tax bills, it is not as significant as we would have liked and does not address the impact of school funding on property taxes.

- 3) Another provision of HB 186 will not show up until property tax bills are mailed in 2027 (for tax year 2026) and later. The non-business tax credit (10% on any levy passed prior to 2013), is applied to residential and agricultural real estate. Homeowners who live in their homes can also get the owner-occupied credit (2.5% on any levy passed before 2013). HB 186 gradually eliminates the non-business credit on rental and investment properties, moving those dollars to owner-occupied homes instead. Here is how that change rolls out over time and how it will affect your tax bills beginning in 2027:
 - **Tax year 2026:** Nonbusiness credit drops to 7.5%, and owner-occupied credit rises to 5.70%*
 - **Tax year 2027:** Nonbusiness credit drops to 5%, and owner-occupied credit rises to 8.92%*
 - **Tax year 2028:** Nonbusiness credit drops to 2.5, and owner-occupied credit rises to 12.15%*
 - **Tax year 2029:** Nonbusiness credit drops to 0%, and owner-occupied credit reaches 15.38%*

** All above percentage apply to levies passed prior to 2013*

Please know, I continue to stay informed and on the forefront of what is happening in the legislature to make sure the people of Ottawa County are represented. If you have any further questions, please feel free to contact the office at 419-734-6740 or asktheauditor@co.ottawa.oh.us.

Sincerely,

Jennifer J. Widmer
Ottawa County Auditor