



## Ohio Revised Code

### Section 135.805 Property tax payment linked deposit programs.

Effective: March 30, 2007

Legislation: House Bill 293 - 126th General Assembly

(A) The general assembly finds that many low to moderate income senior citizens and permanently and totally disabled citizens face financial hardship and find it difficult to timely pay property taxes on their homesteads, which can lead to delinquencies, penalties, declines in tax receipts, foreclosures, a loss of stable and affordable housing, a loss of neighborhoods and communities, and a decline in property values. Accordingly, it is declared to be the public policy of the state through property tax payment linked deposit programs established by counties to provide a source of low-cost funds for lending purposes to assist these citizens in timely paying property taxes on their homesteads.

(B) A board of county commissioners, by resolution, may establish for the benefit of persons sixty-five years of age or older, or persons who are permanently and totally disabled, or both groups of persons, a property tax payment linked deposit program. The program shall authorize the investing authority of the county, in accordance with division (A)(2) of section 135.353 of the Revised Code, to place certificates of deposit at up to three per cent below market rates with an eligible lending institution, provided that the eligible lending institution agrees to lend the value of such deposit to eligible borrowers at up to three per cent below the present borrowing rate applicable to each eligible borrower. The resolution shall include requirements, parameters, limitations, and other provisions that are consistent with sections 135.804 to 135.807 of the Revised Code and are necessary to establish and carry out the property tax payment linked deposit program, including, but not limited to, all of the following:

(1) Eligibility requirements for borrowers who may receive reduced rate loans under the property tax payment linked deposit program, including both of the following:

(a) A total income limit for a borrower to be eligible for such a loan;

(b) An indebtedness limit that a borrower may not exceed to be eligible for such a loan, under which the sum of all recorded liens on the homestead plus the amount of the reduced rate loan cannot



exceed eighty per cent of the homestead's true value as most recently determined by the county auditor.

(2) Application procedures for eligible borrowers and eligible lending institutions wishing to participate in the property tax payment linked deposit program;

(3) Review procedures for applications and criteria for acceptance or rejection of applications for reduced rate loans under the property tax payment linked deposit program;

(4) Necessary agreements between the eligible lending institution and the investing authority of the county to carry out the purposes of the property tax payment linked deposit program, including procedures for the payment directly to the county treasurer by the eligible lending institution of the property taxes due on the homestead and delivery by the county treasurer to the eligible lending institution of the lien certificate as provided in section 135.807 of the Revised Code;

(5) Annual reports regarding the operation of the property tax payment linked deposit program to be made by the investing authority to the board of county commissioners.

(C) A board of county commissioners may appropriate funds from the general fund of the county or any other lawfully available funds of the county for the purpose of defraying some or all of the closing costs and expenses of reduced rate loans made by eligible lending institutions to eligible borrowers pursuant to the property tax payment linked deposit program.

(D) The county and its investing authority and the board of county commissioners are not liable to any eligible lending institution in any manner for the payment of the principal or interest on any reduced rate loan made under the property tax payment linked deposit program, and any delay in payment or default on the part of any borrower does not in any manner affect the deposit agreement between the eligible lending institution and the investing authority or board of county commissioners.