



PRESS RELEASE

May 13, 2010

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CONVERSION LEVIES WOULD RESULT IN LARGE TAX HIKES AND LESS SCHOOL ACCOUNTABILITY

COLUMBUS – With the May 4 defeat of 42% of Ohio school levies, the Buckeye Institute for Public Policy Solutions today released a critical report on the new conversion levy that was added to the Ohio’s property tax system with the 2009 state budget. The report, “**The Need for Levy Reform in Ohio – Conversion Levy: One Vote, Permanent Tax Increases**,” written by former Franklin County Auditor Joe Testa with a Foreward by Buckeye Institute President Matt A. Mayer uses tax data from 1998-2008 from seven Central Ohio school districts to show the enormous impact a conversion levy would have on property taxes in Ohio.

As an example of how a conversion levy would result in significant property tax hikes, had Columbus City Schools passed a conversion levy in 1998, the amount of increased property taxes homeowners would have been subject to from 1998 to 2008 compared to what they paid under the existing 1998 levies would have been approximately \$169,959,910. That tax burden would have been added without a single vote by the homeowners in those school districts in the ten years after 1998.

Testa noted: “The major concern is that the conversion levy would appear to be revenue neutral on the ballot but would be anything but neutral when property values begin to appreciate again. Voters would be asked, in effect, to change the structure of their school’s funding from property tax to grant open ended and permanent school tax increases. The Ohio legislature should reform our property tax system, not continue to make it even more confusing by allowing yet another type of levy that injects still more complexity into the system.”

Mayer added, “With a conversion levy, voters will lose their ability to keep school districts in check, as tax revenues will grow allowing school districts to spend without worrying about voters reining in that spending. With the large jump in per pupil spending and teacher pay over the last decade that has not resulted in concomitant educational outcomes, especially in the urban and suburban schools, putting our property taxes on autopilot will not lead to good government. The most powerful voice homeowners have is to reject levies where the schools have failed to justify the need for more tax dollars. We must preserve that voice.”

The report can be viewed at **The Wire** at www.buckeyeinstitute.org.