



January 21, 2016

The Honorable Brian Hill
Ohio House of Representative
77 S. High St., 13th Floor
Columbus, OH 43215

Dear Representative Hill:

The agriculture community would like to take the opportunity to thank you for sponsoring House Bill 398, legislation that will improve the accuracy of the Current Agricultural Use Valuation (CAUV) formula. We appreciate your leadership and understanding that targeted changes to the formula are needed to roll back the use of certain components in the formula, which have been added to the formula over time.

In 1973, the people of Ohio understood the importance of devising a system of taxation for agriculture that asked farmers to pay property taxes relative to the income their farmland helped them achieve. For more than forty years, CAUV has largely done this, proving critical to preserving farmland and ensuring agriculture remains the strong foundation Ohio's economy needs. However, recent skyrocketing increases in CAUV values have made it apparent to many farmers across the state that the formula is not functioning as accurately as it should.

At the root of the problem is the fact that the current CAUV formula assumes land is held for only five years when in reality farmland is typically held for decades. In addition, there are also non-use factors in the formula that inflate farmland value by assuming land appreciates and landowners achieve equity buildup at predetermined rates. Since these factors have nothing to do with the agricultural use of the land, they have no place in the CAUV formula. The original formula, envisioned by Ohioans and implemented by lawmakers, did not include these factors.

We support the fact that your legislation would prohibit these nonagricultural factors from being used in the CAUV formula in addition to removing disincentives farmers' currently face to implementing certain conservation practices that will benefit water quality efforts. We look

forward to working with you and your colleagues in the legislature to move this bill forward in 2016.

Respectfully,



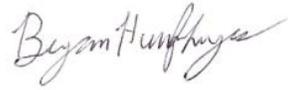
Christopher Henney
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Ohio Agribusiness Association



Joseph Logan
President
Ohio Farmers Union



Joe Foster
President
Ohio Cattlemen's Association



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Ohio Pork Council



Chad Kemp
President
Ohio Corn and Wheat Growers Association



Roger High
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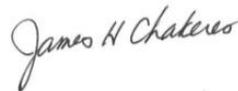
Scott E. Higgins
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Adam Graham
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John C. Fisher
Executive Vice President
Ohio Farm Bureau Federation



James Chakeres
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Cc: Members of the Ohio House of Representatives