

# **Bond Case Briefs**

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## **TAX - OHIO**

### **Kohl's Illinois, Inc. v. Marion Cty. Bd. of Revision**

**Supreme Court of Ohio - October 8, 2014 - N.E.3d - 2014 -Ohio- 4353**

Property owner appealed decision of county board of revision that dismissed property owner's valuation complaint concerning real property tax assessment. The Board of Tax Appeals (BTA) affirmed. Property owner appealed.

The Supreme Court of Ohio held that:

- TIF agreement's no-contest covenant did not impose jurisdictional limitation on county board of revision (BOR);  
County commissioners and board of education (BOE) had burden of advancing covenant as defense; and  
TIF agreement's section allowing property owners to contest certain taxes, assessments, and government charges did not contradict covenant.

TIF agreement's no-contest covenant, which precluded developer and property owners from contesting assessed valuations of improvements for real property tax purposes, did not impose jurisdictional limitation on county BOR regarding property owner's valuation complaint. Source of covenant's legal force was not statutory.

County commissioners and BOE, as beneficiaries of TIF agreement's no-contest covenant, which precluded developer and property owners from contesting assessed valuations of improvements for real property tax purposes, had burden of advancing covenant as defense to property owner's valuation complaint in property owner's appeal before BTA concerning dismissal of complaint by county BOR, and thus property owner was not required to establish that covenant did not bar complaint.

TIF agreement's section allowing property owners to contest certain taxes, assessments, and government charges did not contradict agreement's no-contest covenant, which precluded developer and property owners from contesting assessed valuations of improvements for real property tax purposes. Covenant addressed only valuation for property-tax purposes to extent that it determined amount of service payments by setting value of improvement, and section addressed other taxes and charges that might have become lien on property.