



## PARTICIPATION STATEMENT

### OVERVIEW

The homeownership savings linked deposit program, operating under the name Ohio Homebuyer Plus, was created by Ohio House Bill 33 of the 135th General Assembly. Ohio Homebuyer Plus allows the Ohio Treasurer (Treasurer's office) to establish a savings linked deposit program for eligible Ohioans to make available premium savings accounts to accumulate the financial resources needed for the down payment and closing costs associated with the purchase of a Home. Ohio Homebuyer Plus provides above market interest rates on tax-advantaged special purpose individual savings accounts. An eligible saver (Saver) can save up to an account maximum of one hundred thousand dollars (\$100,000) over a maximum period of five (5) consecutive years.

#### ■ PARTICIPATION STATEMENT

This Ohio Homebuyer Plus Participation Statement (Participation Statement), as may be amended or supplemented from time to time, contains important information to be considered when deciding to participate in Ohio Homebuyer Plus. Before participating in Ohio Homebuyer Plus, you are advised to read and carefully consider the Participation Statement, including any amendments or supplements, in its entirety.

Ohio Homebuyer Plus is offered to Ohio Residents; taxpayers may obtain certain State of Ohio tax benefits through Ohio Homebuyer Plus participation. If you are not an Ohio Resident or do not maintain a Primary Address in Ohio, you are not eligible to participate in Ohio Homebuyer Plus. Please consult a legal, financial, tax, or other advisor to learn more about state-based tax benefits, to consider your specific circumstances and home savings goals, and to understand and consider the terms of the Participation Statement.

#### ■ USE OF SAVER INFORMATION

The Saver will apply to participate in Ohio Homebuyer Plus through the Financial Institution of their choice. The Financial Institution will provide some or all of the information the Saver provides on their application, including confidential personal information, to the Treasurer's office. The Treasurer's office will use this confidential personal information to assess Saver eligibility, as well as utilize the information to operate Ohio Homebuyer Plus. By participating in Ohio Homebuyer Plus, the Saver is acknowledging and consenting to this disclosure and use of personal information. Participation in Ohio Homebuyer Plus requires disclosure of confidential personal information. If the Saver does not consent to this use of the personal information, then the Saver's participation in Ohio Homebuyer Plus will be terminated.

#### ■ SAVER ACCEPTANCE OF PARTICIPATION STATEMENT

The Saver, through the act of opening and maintaining an Ohio Homebuyer Plus account (Account), agrees they have received, reviewed, and will comply with all the provisions and requirements detailed in the Participation Statement. Failure of the Saver to adhere to the Participation Statement may result in action including, but not limited to, return of funds, and retrospective and prospective loss of Ohio Homebuyer Plus program and tax benefits.



## OPENING AN ACCOUNT

### ■ WHO MAY OPEN AN ACCOUNT

Only one individual, the Saver, may open an Account for their own benefit. Two or more individuals may not jointly open an Account.

### ■ INDIVIDUAL AS ACCOUNT OWNER

An Ohio Resident with a Primary Address in Ohio and a valid Social Security Number or Individual Taxpayer Identification Number who has reached the age of 18 is eligible to establish an Account on their own behalf.

### ■ RESIDENCY REQUIREMENTS

The Saver must be a U.S. citizen or an individual residing in the U.S. with a valid Social Security Number or Individual Taxpayer Identification Number. The Saver must be an Ohio Resident with a qualifying Primary Address in Ohio and must continue to be an Ohio Resident with a qualifying Primary Address in Ohio to participate in Ohio Homebuyer Plus.

### ■ PRIMARY ADDRESS REQUIREMENTS

The Saver must have and maintain a Primary Address in Ohio to apply and continue to be eligible for an Account. If the Saver is an Ohio Resident but lives part of the year out of the state or country, they still must maintain a Primary Address in Ohio to retain eligibility. The Saver may not use a Post Office Box (P.O. Box) or military post office box, e.g., APO, FPO, etc., as their Primary Address in Ohio, but can for mailing address purposes. If the Saver moves out of Ohio or no longer meets Ohio Homebuyer Plus participation requirements, they are deemed no longer Ohio Homebuyer Plus eligible on a go forward basis.

### ■ HOW TO OPEN AN ACCOUNT

To open an Account, the Saver must select and engage with a participating Financial Institution to provide eligibility information and required Ohio Homebuyer Plus certifications to the Treasurer's office. The Saver does not apply to or work directly with the Treasurer's office to open an Account. The Financial Institution will submit the Saver's eligibility information to the Treasurer's office. The Treasurer's office will notify the Financial Institution of the Saver's eligibility approval or disapproval.

### ■ SAVER CERTIFICATIONS

The Saver is required to provide certifications to their Financial Institution when applying for an Account. In their certification, the Saver certifies that they are an eligible participant under Ohio Revised Code (ORC) section 135.70, their Account will be used exclusively for eligible expenses, and they will adhere to the Participation Statement. Please note, whoever knowingly makes a false statement concerning their application is guilty of the offense of falsification under ORC section 2921.13. The Saver certification is as follows, for reference and review.

The Saver hereby certifies 1) they are over 18 years of age, 2) they are a resident of the State of Ohio, 3) the funds in their Ohio Homebuyer Plus Account shall be used exclusively for eligible program home purchase costs, 4) they shall hold not more than one Ohio Homebuyer Plus Account at any one time except as allowed in the Ohio Homebuyer Plus Participation Statement, 5) they have reviewed the Ohio Homebuyer Plus Participation Statement and will comply with all its provisions and requirements, and 6) they have not knowingly made any false statements or provided false information.



#### ■ **ON DEMAND SAVER RECERTIFICATIONS**

The Treasurer's office or the Financial Institution, at their joint or individual discretion, may request a Saver to recertify their Ohio Homebuyer Plus eligibility and/or Participation Statement compliance at any time. The Saver shall promptly review and respond to the Ohio Homebuyer Plus recertification request, as failure to do so may result in Account termination, return of funds, and loss of program benefits.

#### ■ **ACCOUNT DURATION IS LIMITED TO 5 YEARS**

The Saver can establish and maintain an Account for a period of up to five (5) consecutive calendar years from the date of their first Account opening date, meaning the date the Saver's Account was approved by the Treasurer's office. A Saver who has made an Account-to-Account Transfer to a successor Financial Institution is duration-limited to the date from which their earliest Account was opened, meaning the date the Saver's Account was approved by the Treasurer's office.

#### ■ **ACCOUNT BALANCE MAXIMUM DURATION**

Savers who open an Account on or after April 1, 2025, and have reached the Account balance maximum must use their Account balance for the purchase of a Home within twelve (12) calendar months (Account Balance Maximum Duration). Savers who have reached the Account balance maximum and do not use their Account balance within twelve (12) calendar months may have their participation in the Program terminated at the sole discretion of the Treasurer's office. Savers who open an Account on or before March 31, 2025, are not subject to the Account Balance Maximum Duration and must use their Account balance within five (5) years from the time the Account is opened.

#### ■ **ACCOUNT BALANCES NOT USED WITHIN 5 YEARS OR BY THE ACCOUNT BALANCE MAXIMUM DURATION**

If the Saver does not purchase a Home within the allowed five (5) year period or within the Account Balance Maximum Duration, if applicable, the Financial Institution will close the Account and either 1) return the funds to the Saver or 2) deposit the funds into a new non-Ohio Homebuyer Plus Account registered in the name of the Saver. The duration-limited Account closure may be reported to the Ohio Department of Taxation. Funds not used for Eligible Withdrawals may result in State of Ohio tax reporting requirements and possible tax liabilities.

## **ACCOUNT CHARACTERISTICS**

#### ■ **INTEREST BEARING ACCOUNT**

An Ohio Homebuyer Plus Account is an interest-bearing deposit or time and savings type account opened and maintained by the Financial Institution for the Saver. The Account is an obligation of the Financial Institution to the Saver. The Financial Institution provides an enhanced interest rate to the Saver's Account in association with the Treasurer's office depositing funds with the Financial Institution at a below market interest rate. The Treasurer's office does not have or maintain any ownership interest in the Saver's Account.

#### ■ **FDIC, NCUA, OR OTHER DEPOSIT INSURED**

Money contributed to an Account, and Account balances, are considered an obligation of the Financial Institution and are to be deposit insured. The participating Financial Institution selected by the Saver for their Account determines the manner of insured protection provided. Bank deposits will be insured by the Federal Deposit Insurance Corporation, while credit union deposits will be insured either by the National Credit Union Association



or private share insurance. Deposit insurance is generally limited to \$250,000 for deposits held by a depositor in the same ownership right and capacity at the same Financial Institution. Please discuss deposit insurance coverage and limitations with the Financial Institution when applying for and opening the Account.

■ **ACCOUNT MAINTENANCE FEES**

There are no fees charged to open or maintain an Account.

■ **TRANSACTION FEES**

There may be fees associated with Account transactions, such as a fee for wiring funds to the title company for closing. Please verify transaction fees with the Financial Institution when applying for and opening the Account.

■ **FINANCIAL INSTITUTION ACCOUNT STATEMENTS**

The Financial Institution will provide periodic Account statements with balance and transaction details. Please ask the Financial Institution about the statement format and frequency.

■ **ELECTRONIC FINANCIAL SERVICES**

The Financial Institution may offer a variety of electronic financial services to assist in managing the Account. Electronic financial services are those services that allow access to an account using ATMs, computers, phones, and other devices to make deposits, transfers, or withdrawals. A Saver may use any electronic financial service if provided by their selected Financial Institution. A separate agreement may be required for certain electronic financial services, such as agreements for online and mobile services. Please inquire and discuss directly with the Financial Institution.

■ **ERROR RESOLUTION**

In case of errors or questions about the Account, the Saver should contact the Financial Institution as soon as possible to report, research, and resolve. The Treasurer's office is not directly involved with the Account or any Account transaction interactions between the Saver and the Financial Institution.

■ **ACCOUNT REGISTRATION**

Accounts with the Financial Institution are registered in the name of the Saver and will have an "Ohio Homebuyer Plus" designation included with the Account name. The Account must be individually owned by the Saver; joint account ownership is not allowed. Two individuals who are legally married are both eligible to open and fund individual Accounts. Account ownership by LLCs, LLPs, trusts, guardians, on behalf of, co-signers, etc. are not permitted.

## **ACCOUNT INTEREST RATES**

■ **OHIO HOMEBUYER PLUS INTEREST INFORMATION**

The Financial Institution has the discretion to change the interest rate and annual percentage yield at any time. Interest begins to accrue no later than the business day the Financial Institution receives credit for the deposit of noncash items (for example, checks). If an Account is closed before monthly interest is credited, the residual interest ceases to accrue and will be paid out at the next scheduled payable date as provided by the Financial Institution. Please review the application of interest rates and interest payment frequency with the Financial Institution.



#### ■ **PREMIUM SAVINGS RATE OVERVIEW**

In consideration of the Treasurer's office making deposits at a below market interest rate at the Financial Institution to offset balances in Ohio Homebuyer Plus Accounts, the Financial Institution enhances the interest rate applied to the Saver's Account. In effect, the Treasurer's office agrees to receive a lower than market interest rate on its deposits so that the Saver will get a higher than market interest rate on their deposits. The Treasurer's office has no ownership rights in the Saver's Account or the interest due the Saver's Account. The Saver has no ownership rights in the Treasurer's office deposit of funds or the interest due the Treasurer's office.

#### ■ **DETERMINATION OF PREMIUM SAVINGS RATE**

The enhanced interest rate the Financial Institution applies to the Saver's Account is determined mathematically as follows:

- 1) The difference between the Prevailing Interest Rate and the Discount Interest Rate applied to the Treasurer's office deposits. The difference between these two rates is called the Net Premium Rate.
- 2) The Financial Institution follows their normal policy and timing to set the Current Savings Rate and this rate may change as frequently as every day.
- 3) The Saver's Account receives the Premium Savings Rate, which is determined by adding together the Current Savings Rate and the Net Premium Rate.

Please refer any questions on the determination of the Premium Savings Rate to the Financial Institution.

#### ■ **PUBLICATION OF PREMIUM SAVINGS RATE**

The Treasurer's office determines the Prevailing Interest Rate, Discount Interest Rate, and the Net Premium Rate every quarter and publishes these rates on the Ohio Homebuyer Plus website [tos.ohio.gov/homebuyerplus](https://tos.ohio.gov/homebuyerplus).

## **CONTRIBUTIONS**

#### ■ **WHERE TO CONTRIBUTE**

The Saver and any Third-Party Contributors contribute directly to the Saver's Account at the Financial Institution.

#### ■ **HOW TO CONTRIBUTE**

Contributions to an Account at the Financial Institution can be made in several ways including, but not limited to:

- Cash, check, or money order
- Automatic recurring contributions
- Wire transfer
- One-time electronic transfer
- Payroll direct deposit (if permitted by the relevant employer)
- Account-to-Account Transfer

Please inquire and discuss directly with the Financial Institution.



#### ■ **ACCOUNT MINIMUM BALANCE**

##### ***For accounts opened on or before March 31, 2025:***

The Account balance minimum has been determined by the Treasurer's office to be one hundred dollars (\$100). Account Contributors must initially fund the Saver's Account with, and Saver must maintain, at least one hundred dollars (\$100) to retain an Account.

##### ***For Accounts opened on or after April 1, 2025:***

The Account balance minimum has been determined by the Treasurer's office to be five hundred dollars (\$500). Account Contributors must initially fund the Saver's Account with, and Saver must maintain, at least five hundred dollars (\$500) to retain an Account.

#### ■ **ACCOUNT LIMIT FOR CONTRIBUTIONS**

The Account balance maximum for contributions has been determined by the Treasurer's office to be one hundred thousand dollars (\$100,000). Should the Account balance reach the maximum balance of one hundred thousand dollars (\$100,000), the Saver and/or any Third-Party Contributor is not allowed to make additional contributions, but interest can and will continue to accrue in the Account.

#### ■ **MINIMUM CONTRIBUTION AMOUNT**

There is not a minimum contribution amount the Saver or a Third-Party Contributor can make at any one time. There is no annual contribution requirement, however an inactive Account may result in termination of participation in the Ohio Homebuyer Plus program. Please see the section in this document titled TERMINATION RIGHT FOR INACTIVE ACCOUNTS.

#### ■ **MAXIMUM CONTRIBUTION AMOUNT**

A Saver or Third-Party Contributor can contribute up to the Account balance maximum of one hundred thousand dollars (\$100,000) at one time. There is no annual contribution limit as it pertains to contributing to an Account, provided the Account balance maximum of one hundred thousand dollars (\$100,000) has not been reached. Please refer to the section in this document titled STATE OF OHIO TAX DEDUCTION FOR ACCOUNT CONTRIBUTIONS for information on tax deduction limitations.

#### ■ **TERMINATION RIGHT FOR INACTIVE ACCOUNTS**

The Treasurer's office may terminate a Saver's participation in Ohio Homebuyer Plus if no contributions have been made to the Account within a three (3) year period and the value of the Account is less than five hundred dollars (\$500). The Saver will be notified in the event the Treasurer's office determines a Saver's participation in Ohio Homebuyer Plus will be terminated. Such notice shall be provided in the form of a letter sent through a recognized mail service. To prevent termination, the saver must either contribute to their Account or contact the Financial Institution within ninety (90) days of the date of the letter and provide documentation satisfactory to the Treasurer's office that the Saver is 1) currently serving in the U.S. Military or 2) subject to other circumstance or condition the Treasurer's office deems sufficient to prevent termination.

#### ■ **THIRD-PARTY CONTRIBUTIONS**

Contributions by Third-Party Contributors are allowable. An eligible contributor, including the Saver's parent, spouse, sibling, stepparent, or grandparent, contributing to an Account is eligible to take the State of Ohio income



tax deduction. Third-Party Contributors will not receive a statement at the end of the year detailing their Account contributions. Such persons should instead maintain their own record of contributions made to an Account for State of Ohio tax deduction purposes. Please refer to the section in this document titled STATE OF OHIO TAX DEDUCTION FOR ACCOUNT CONTRIBUTIONS for more information.

Contributions to an Account by a Third-Party Contributor may be considered a completed gift from the Third-Party Contributor to the Saver and may be eligible for the annual gift tax exclusion. Contributions that qualify for the annual gift tax exclusion are generally also excludible for purposes of the federal generation-skipping transfer (GST) tax. Third-Party Contributors should consult a tax advisor regarding their personal circumstances.

Contributions to an Account by a Third-Party Contributor may be considered a completed gift from the Third-Party Contributor to the Saver and may be eligible for the annual gift tax exclusion. Contributions that qualify for the annual gift tax exclusion are generally also excludible for purposes of the federal generation-skipping transfer (GST) tax. Third-Party Contributors should consult a tax advisor regarding their personal circumstances.

#### ■ **CONTRIBUTIONS BY EMPLOYERS**

Contributions by employers are allowable and may be considered a taxable fringe benefit unless specifically excluded by law. Taxable fringe benefits to the Saver, as an employee of the employer, are generally subject to employment taxes and reported on IRS Form W-2, Wage and Tax Statement. Employers contributing to a Saver's Account should consult a tax advisor regarding their circumstances.

#### ■ **STATE OF OHIO TAX DEDUCTION FOR ACCOUNT CONTRIBUTIONS**

Certain Ohio income tax taxpayers may claim the tax deduction for contributions. Ohio taxpayers may deduct the amount of contributions to an Ohio Homebuyer Plus Account in computing their Ohio adjusted gross income. The deduction may be claimed by the Saver or a parent, spouse, sibling, stepparent, or grandparent of the Saver. Up to \$5,000 of contributions per person can be deducted per Account (or \$10,000 per married couple), per tax year, up to a lifetime maximum deduction per contributor of \$25,000 per Account. The deduction does not have a carryforward for amounts contributed in excess of the \$5,000 annual contribution limit. Funds not used for Eligible Withdrawals may result in State of Ohio tax reporting requirements and possible tax liabilities. Please consult a tax advisor regarding individual circumstances.

## **ACCOUNT-TO-ACCOUNT TRANSFERS FROM ANOTHER FINANCIAL INSTITUTION**

#### ■ **ACCOUNT-TO-ACCOUNT TRANSFERS**

Accounts may be transferred between participating Financial Institutions at the discretion of the Saver. Such transfer is an Account-to-Account Transfer. The Saver is required to close their Account at the prior Financial Institution and move the Account balance to the selected successor Financial Institution through reapplication and redeposit. While a Saver cannot have more than one active Account at any one time, there may be instances during an in-progress Account-to-Account Transfer in which a singular Saver has open and active Accounts with two Financial Institutions. The Saver is expected to have their prior Account balance, including trailing interest, transferred to the successor Financial Institution within ninety (90) days of the Account-to-Account Transfer initiation. A Saver may transfer Account balances between Financial Institutions via check, electronic funds transfer or other means.



#### ■ **ACCOUNT-TO-ACCOUNT TRANSFERS TAKING LONGER THAN 90 DAYS**

Instances of Account-to-Account Transfers taking longer than ninety (90) days will be reviewed by the Treasurer's office, and any remedial action will be determined and communicated by the Treasurer's office to the impacted Financial Institution. The impacted Financial Institution will communicate directly with the Saver about any required remedial action determined by the Treasurer's office.

#### ■ **REQUIRED ACCOUNT-TO-ACCOUNT DOCUMENTATION**

The Saver is required to maintain supporting documentation substantiating the transfer of their Account from one Financial Institution to another Financial Institution.

### **ACCOUNT CHANGES**

#### ■ **CHANGE OF RESIDENCY OR PRIMARY ADDRESS**

As soon as practical, the Saver shall notify their Financial Institution by phone, in writing, or by other means made available by the Financial Institution of any change in Ohio residency status or Primary Address.

#### ■ **PERSONAL INFORMATION CHANGES**

The Saver shall notify their Financial Institution of any personal information changes as soon as practical. The Saver should notify the Financial Institution by phone, in writing or by other means made available by the Financial Institution.

#### ■ **DEATH OR INCOMPETENCY**

The Saver's Account is held solely by the Saver. Any Saver may stop making contributions, close the Account, and withdraw all or a portion of the Account balance as allowed by Ohio Homebuyer Plus program guidelines. Funds not used for Eligible Withdrawals may result in State of Ohio reporting requirements and possible tax liabilities. In the event of the Saver's death or Incompetency, and upon submission of appropriate documentation of such death or Incompetency to the Financial Institution as determined by the Financial Institution, the Financial Institution shall transact business on the Account as directed by Saver's estate or guardian, which shall be a valid and complete discharge of Financial Institution from all liability to the Saver. Please consult a probate lawyer to determine the precise effect of such a designation.

#### ■ **AGENT AUTHORIZATION/LIMITED POWER OF ATTORNEY**

The Saver may work with the Financial Institution to complete an Authorized Agent/Limited Power of Attorney Form to allow another individual specified access to their Account. This document gives the Authorized Agent the power to act for the Saver to the extent permitted by applicable law. For example, because Accounts can be owned by only one individual, the Saver may authorize the Saver's spouse to have access to the Account as an Authorized Agent.

#### ■ **HOW TO MAKE A WITHDRAWAL**

Withdrawals from an Account can be made in several ways including, but not limited to:

- Check or money order (if available)
- Account transfer
- Account-to-Account Transfer
- Wire transfer
- One-time electronic transfer

Please inquire and discuss directly with the Financial Institution.





#### ■ **WITHDRAWAL TAX FORMS ARE NOT ISSUED**

Neither the Treasurer's office nor the Financial Institution create or send any federal or state tax reporting, i.e., IRS Form-1099, for any withdrawal made from the Account. The Saver is obligated to retain withdrawal documentation and report ineligible withdrawal information on their Ohio income tax form. The Ohio Department of Taxation will receive Ohio Homebuyer Plus Saver and Account usage data. Withdrawals not determined to be Eligible Withdrawals may result in State of Ohio tax reporting requirements and possible tax obligations. Please consult a tax advisor regarding personal circumstances.

#### ■ **ELIGIBLE WITHDRAWALS**

Eligible Withdrawals are those used for the down payment, eligible expenses, and closing costs associated with the purchase of a Home. Eligible Withdrawals are defined within ORC sections 135.70 and 5747.85 and are subject to change should those sections of the ORC be amended. A Saver may wish to consult a tax or financial advisor before determining an Account withdrawal as eligible. Neither the Treasurer's office nor the Financial Institution will provide advice or guidance as to if an Account withdrawal is eligible. The Saver is responsible for maintaining appropriate documentation substantiating their use of Account funds, such as Form HUD-1, as neither the Treasurer's office nor the Financial Institution will do so.

#### ■ **INELIGIBLE WITHDRAWALS**

Any withdrawal not directly related to the purchase of an eligible Home may be considered an ineligible withdrawal (Ineligible Withdrawal) and may result in the discontinuation of the Saver's participation in Ohio Homebuyer Plus and any associated participation benefits. Accounts with suspected or confirmed Ineligible Withdrawals may be reported as such to the Ohio Department of Taxation. For illustrative purposes, examples of Ineligible Withdrawals include, but are not limited to, moving expenses, home improvements, purchase of a recreational vehicle or camper, living expenses, utility bills, purchase of household goods or appliances, contractor expenses, plumbers, electricians, painting, groceries, and use of the Account as collateral.

#### ■ **RECONTRIBUTIONS OF WITHDRAWALS**

In the case of a Saver who initiated an Eligible Withdrawal and is unsuccessful with their Home purchase, the full amount of all Eligible Withdrawals may be re-contributed without jeopardizing continued Ohio Homebuyer Plus participation and benefit so long as such re-contribution is made not later than ninety (90) days after the first date of such Eligible Withdrawal. The Saver making the re-contribution is responsible for maintaining documentation that the contribution is a re-contribution of previously withdrawn funds, and the re-contributed amount is compliant with this section, and for maintaining all documentation linking the re-contribution of the Eligible Withdrawal. Documentation should include, but is not limited to, detail as to the Account from which the Eligible Withdrawal(s) was initiated, the date and amount of the Eligible Withdrawal(s), the purpose of the Eligible Withdrawal(s), and the reason for the re-contribution. If these steps are not followed, the Eligible Withdrawals and re-contribution may be determined an Ineligible Withdrawal. Ineligible Withdrawals can result in the forced closure of the Saver's Account and tax implications. Please consult a tax advisor regarding the tax implications of any withdrawals and/or re-contributions.

#### ■ **TIMING CONSIDERATIONS FOR ELIGIBLE WITHDRAWALS**

Eligible Withdrawals may occur over a maximum period of ninety (90) calendar days.



## ACCOUNT USAGE, CLOSURE, AND PROGRAM READMITTANCE

### ■ ACCOUNT USAGE

Allowable Account usage includes Eligible Withdrawals and Account-to-Account Transfers.

### ■ DOWN PAYMENTS

A down payment is a sum the Saver pays upfront when purchasing a Home. The down payment may include an appraisal gap.

### ■ CLOSING COSTS

Closing costs are disbursements listed on a closing disclosure for the purchase of a Home by the Saver. The closing disclosure is the statement of receipts and disbursements for the purchase of a Home, e.g., Form HUD-1.

### ■ EARNEST DEPOSIT

An earnest deposit is a deposit of money made by the Saver to the Home seller and represents the good faith deposit to make the purchase of a Home and is typically held in an escrow account until the purchase closing. An earnest deposit is considered an Eligible Withdrawal, provided the earnest deposit is for the purchase of an eligible Home and is detailed on the closing disclosure.

### ■ OTHER ELIGIBLE EXPENSES ASSOCIATED WITH HOME PURCHASE

Other expenses that are directly related to the purchase of an eligible Home are considered Eligible Withdrawals, even though not included on the closing disclosure. The Saver must be able to substantiate through documentation that Account withdrawals have been used for the purchase of an eligible Home.

### ■ RESIDUAL ACCOUNT BALANCE

The Saver is expected to use the entire Account balance for Eligible Withdrawals. Should a Saver's Account have a small outstanding balance, currently defined as an amount equal to or less than one hundred dollars (\$100), remaining in their Account after the purchase of a Home, the Financial Institution will close the Account and either 1) return the funds to the Saver or 2) deposit the funds into a new non-Ohio Homebuyer Plus Account registered in the name of the Saver. Funds not used for Eligible Withdrawals may result in State of Ohio tax reporting requirements and possible tax liabilities.

### ■ NUMBER OF TIMES A SAVER MAY PARTICIPATE

There is no prohibition to Saver participation eligibility based on prior participation or current home ownership. Ohio Homebuyer Plus is not limited to first time home buyers.

### ■ SUBSEQUENT ACCOUNTS AFTER ELIGIBLE WITHDRAWAL CLOSURE

Once a Saver has completed a Home purchase, they are eligible to open a new Account for a subsequent Home purchase after one (1) year has elapsed from the date of their prior Account closure. There is no limit to the number of times the Saver can participate in Ohio Homebuyer Plus. A Saver is limited to a maximum lifetime Ohio income tax deduction of \$25,000 of contributions per Account. The lifetime contribution limit for additional Accounts opened by the Saver is reduced by contributions previously made to another Account owned by the Saver.



#### ■ **SUBSEQUENT ACCOUNTS AFTER INELIGIBLE WITHDRAWAL CLOSURE**

If a Saver's participation in the Ohio Homebuyer Plus program was terminated and the Account was closed due to an Ineligible Withdrawal, or the Saver's Account was not used for a Home purchase within the five (5) year limit or within the Account Balance Maximum Duration, the Saver may apply for Ohio Homebuyer Plus readmission one (1) year after their prior Account closure date. The Treasurer's office, at its sole discretion, may deny the Saver's eligibility for re-admittance into the Ohio Homebuyer Plus program.

### **ELIGIBLE HOMES**

#### ■ **ELIGIBLE HOME**

A Home includes a house, condo, unit in a multiple-unit dwelling, manufactured home or mobile home taxed as real property, or manufactured or mobile home subject to the manufactured home tax but taxed like real property. A Home must be the Saver's primary residence after the closing of the home purchase and be physically located in the State of Ohio. A Saver must qualify for and receive the owner-occupancy tax reduction for the Home by completing Form DTE 105C and filing it with the county auditor. To receive the owner-occupancy homestead tax reduction, the Saver must own and occupy their home as their principal place of residence (domicile) on January 1 of the year the Saver files for the reduction. A homeowner and spouse are entitled to this homestead tax reduction on only one home in Ohio, unless they can establish that they are domiciled separately. A person only has one principal place of residence. A person's principal place of residence determines, among other things, where the person is registered to vote and where the person declares residency for income tax purposes.

#### ■ **ELIGIBLE MULTIFAMILY RENTAL HOME**

The Treasurer's office has determined a residential building means a two-family or three-family dwelling and is considered a Home for the purposes of Ohio Homebuyer Plus provided the Saver will maintain their Primary Address within the residential building.

#### ■ **INELIGIBLE HOME**

An ineligible Home includes, but is not limited to, property types not expressly defined in the Participation Statement. Examples of ineligible Home types include, but are not limited to, recreational vehicles, house boats, campers, commercial real estate, and land without an existing residential building included.

### **STATE AND FEDERAL TAX INFORMATION**

#### ■ **STATE TAX INFORMATION**

A Saver can deduct interest earned and employer contributions to an Account in computing their Ohio adjusted gross income, to the extent the interest and contributions have not been otherwise deducted or excluded from the Saver's federal adjusted gross income. For more information on the deduction for Account contributions, please refer to the section in this document titled STATE OF OHIO TAX DEDUCTION FOR ACCOUNT CONTRIBUTIONS.

#### ■ **NOT DEDUCTIBLE FOR FEDERAL TAX PURPOSES**

The tax deductions described in this document are only applicable to the Ohio individual income tax, and this document is not intended to provide any federal tax advice. Please contact the Internal Revenue Service or a tax advisor to discuss any questions or concerns regarding possible federal tax implications.



## REPORTING AND OTHER MATTERS

### ■ SAVER PROGRAM ACCOUNT STATEMENTS AND REPORTS

Ohio Homebuyer Plus does not generate program statements, reports, tax forms, or other documentation on behalf of the Saver.

### ■ FINANCIAL INSTITUTION REPORTING TO TREASURER'S OFFICE

Periodically, Financial Institutions provide Saver Account data, including Social Security Numbers or Individual Taxpayer Identification Numbers, demographic, transaction, and balance information, to the Treasurer's office when deemed necessary by the Treasurer's office for the administration of Ohio Homebuyer Plus.

### ■ TREASURER'S OFFICE REPORTING TO OHIO DEPARTMENT OF TAXATION

Periodically, the Treasurer's office provides Saver Account data including Social Security Numbers or Individual Taxpayer Identification Numbers, demographic, transaction, and balance information to the Ohio Department of Taxation as needed by the Ohio Department of Taxation.

### ■ ABANDONED, DORMANT, OR UNCLAIMED ACCOUNTS

If the Financial Institution determines, through their normal internal deposit or time and savings account controls, an Account is abandoned, dormant, or unclaimed then the Financial Institution will follow their standard policy and practices to address such. Please ask the Financial Institution for their dormant, abandoned, or unclaimed account policies.

## OTHER TERMS AND CONDITIONS

Subject to the right of the Treasurer's office and the Ohio General Assembly to revise or modify Ohio Homebuyer Plus and except to the extent that ORC sections 135.61 and 135.70 to 135.71, and/or Ohio Administrative Code Chapter 113, may be revised, amended, or rescinded, the Participation Statement may be amended or supplemented from time to time, represents the entire understanding of the Parties, and supersedes any prior verbal or written representations. Inaction by the Treasurer's office or failure by it to demand strict adherence thereunder shall not be deemed a waiver. Notwithstanding the foregoing, the Treasurer's office can change the terms of the Participation Statement if the Treasurer's office believes that a change is necessary to keep Ohio Homebuyer Plus in compliance with state law and preserve the favorable tax treatment of Accounts, or to the extent required for the proper administration of Ohio Homebuyer Plus in accordance with any applicable federal or state law. Disclosure of the Social Security Numbers or Individual Tax Identification Numbers requested from the Financial Institutions, on behalf of the Savers, is mandatory. Social Security Numbers or Individual Taxpayer Identification Numbers will be used for purposes of Ohio Homebuyer Plus administration and reporting to the Ohio Department of Taxation. Under Ohio law, all records indicating the identity of Savers are not subject to public disclosure. The Ohio Homebuyer Plus website, [tos.ohio.gov/homebuyerplus](https://tos.ohio.gov/homebuyerplus), has additional items and conditions that apply to Internet security and privacy. The Participation Statement is to be interpreted under the laws of the State of Ohio and is subject to all applicable state and federal laws and federal law may, in some instances, preempt state law. If any portion of the Participation Statement is found to be invalid or unenforceable by any court, that portion shall be severed from the Participation Statement and the remainder of the Participation Statement shall remain in full force and effect.



#### ■ **OHIO HOMEBUYER PLUS TERMINATION**

If it is determined for any reason that Ohio Homebuyer Plus, or any part of it, should be canceled, then the Treasurer's office may terminate the Participation Statement and Ohio Homebuyer Plus.

#### ■ **EFFECT OF CERTAIN LEGAL PROCESSES**

Certain state or other applicable laws do not protect a Saver's right, if any, to an Account from certain legal processes. Please consult a legal advisor regarding the correct application of law to specific circumstances. The assets in an Account may be considered marital assets and thus may be subject to division between the marital parties in the event of a divorce or dissolution. Please consult a legal advisor to understand laws applicable to marital assets.

#### ■ **ACCOUNT ESTABLISHMENT**

Upon successful receipt and qualification of the Saver's certification statements (either electronically or manually) provided to the Financial Institution during the Ohio Homebuyer Plus application, which incorporates and includes an acceptance of the terms and conditions of the Participation Statement and all required information, including, but not limited to, Social Security or Individual Taxpayer Identification Numbers, the Treasurer's office will approve and confirm to the Financial Institution the establishment of the Ohio Homebuyer Plus Account.

#### ■ **CONDITIONAL APPROVAL**

The Saver may be approved as eligible by the Treasurer's office and an Account established if all eligibility conditions are met and all information has been provided in good order. If at any time the Treasurer's office determines, at its sole discretion, the Saver fails to meet the conditions for approval or continued participation, the Saver's participation in Ohio Homebuyer Plus may, at the Treasurer's office sole discretion, be terminated, causing the Financial Institution to close the Saver's Account and return all money to the Saver.

#### ■ **RESCISSION OF PARTICIPATION FOR FRAUD**

The Treasurer's office may rescind the Saver's Ohio Homebuyer Plus eligibility approval and terminate the Saver's participation in Ohio Homebuyer Plus if any required information has been omitted or fraudulently stated.

#### ■ **LIMITATION OF LIABILITY**

The State of Ohio and Financial Institutions shall not be responsible in any way for determining the appropriateness of contributions; the amount, character, timing, purpose, propriety of any distribution or withdrawal; or any other action or non-action taken at the Saver's request. The Saver agrees that the State of Ohio and Financial Institutions, and any representatives thereof, shall not be liable for any loss, damage, or expense, including attorney's fees, which may arise in connection with Ohio Homebuyer Plus, except liability arising from the negligence or willful misconduct of the State of Ohio or Financial Institutions, or any of their representatives.



#### ■ **PROGRAM ADMINISTRATION QUESTIONS**

The statutes and rules pertaining to the Ohio Homebuyer Plus program are available upon request submitted to the Treasurer's office. All written inquiries or documentation requests about Ohio Homebuyer Plus administration should be sent to:

**Ohio Treasurer**  
**Attention: CD Programs**  
**30 E. Broad Street, 9th Floor, Columbus, Ohio 43215**

#### ■ **PROGRAM TAXATION QUESTIONS**

The Ohio tax statutes and rules pertaining to the Ohio Homebuyer Plus program are available upon request submitted to the Ohio Department of Taxation. All written inquiries or documentation requests about Ohio Homebuyer Plus tax statutes and rules should be sent to:

**Ohio Department of Taxation**  
**Individual Income Tax Division**  
**PO Box 182847, Columbus, OH 43218-2847**

#### ■ **DEFINED TERMS**

- **ACCOUNT CONTRIBUTORS** – means the Saver or any Third-Party Contributor.
- **ACCOUNT-TO-ACCOUNT TRANSFER** – means an Account transfer between participating Financial Institutions.
- **AUTHORIZED AGENT** – means an individual or other entity designated as a Saver's agent with limited authority to receive information regarding the Saver's Account.
- **CURRENT SAVINGS RATE** – means the present interest rate the Financial Institution pays on their interest-bearing deposit or time and savings accounts.
- **DISCOUNT INTEREST RATE** – means an interest rate below the Prevailing Interest Rate that the Treasurer's office sets as the interest rate Financial Institutions must pay to hold linked deposits.
- **ELIGIBLE WITHDRAWAL** – means the down payment and closing costs associated with the purchase of a Home.
- **FINANCIAL INSTITUTION** – means a financial institution that offers Accounts to Ohio Residents to save for the purpose of the Ohio Homebuyer Plus program and is eligible under ORC section 135.70.
- **HOME** – means a dwelling located in the State of Ohio that will be owned and occupied as a primary residence of the Saver.
- **INCOMPETENCY** – means the condition of a person, other than a minor, who is impaired by mental illness, mental deficiency, physical illness or disability, or alcohol or drug use to the extent that the person lacks sufficient understanding to make or communicate responsible decisions or to enter into contracts.
- **LIMITED POWER OF ATTORNEY** – means an individual or other entity designated as the Saver's agent with limited authority to act on the Saver's Account.
- **OHIO RESIDENT** – means an individual who is domiciled in this state, subject to ORC section 5747.24.
- **PARTIES** – means the Saver, Treasurer's office, and Financial Institution.
- **PREMIUM SAVINGS RATE** – means a rate that reflects the percentage rate increase above the Current Savings Rate applicable to the Saver.



- **PREVAILING INTEREST RATE** – means a current market interest rate selected by the Treasurer’s office that Financial Institutions are willing to pay to hold deposits of the Treasurer’s office.
- **PRIMARY ADDRESS** – means the place considered the residence of the Saver in which the Saver’s habitation is fixed and to which, whenever the Saver is absent, the Saver has the intention of returning.
- **THIRD-PARTY CONTRIBUTOR** – a person other than the Saver who contributes to a Saver’s Account.

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