

# RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc.

Resolution No. 9-2017

Passed February 28, 2017

A RESOLUTION STRONGLY OPPOSING THE STATE OF OHIO GOVERNOR'S PROPOSED 2018-2019 BUDGET, WHICH PROPOSES CENTRALIZED COLLECTION OF NET PROFIT TAX RETURNS AND OTHER DISASTROUS PROVISIONS, AS DETRIMENTAL TO LOCAL GOVERNMENTS AND WHICH WILL RESULT IN FURTHER SIGNIFICANT LOSS OF REVENUE NEEDED TO SUPPORT THE HEALTH, SAFETY, WELFARE, AND ECONOMIC DEVELOPMENT EFFORTS OF OHIO'S COMMUNITIES.

*WHEREAS*, Governor Kasich has proposed a 2018-2019 biennial budget that institutes a state-operated program for the centralized collection of Ohio Municipal Income Tax, a clear attack on the home rule powers granted to municipal corporations such as the City of West Carrollton by the Ohio Constitution; and

*WHEREAS*, this proposed language also includes a provision that would eliminate a portion of the sales factor, known as "throwback", substantially reducing reportable tax revenue to municipalities with warehouses, distribution centers, and any business providing online sales; and

*WHEREAS*, the City of West Carrollton strenuously objects to this latest attack on municipal home rule under consideration by the State of Ohio and urges all municipal corporations to make it clear to the Governor and General Assembly that this proposed usurpation of constitutionally-granted local municipal power shall not take place without a vigorous legal challenge by affected municipal corporations; and

*WHEREAS*, this budget proposal is a continuation of the siphoning of local government revenues in the past few years, including the elimination of estate taxes, repeal of the Tangible Personal Property Tax, severe reductions in Local Government Fund allocations, and, most recently, the passage of HB5 on December 19, 2014, the impact of all of which is estimated to cost the City of West Carrollton over \$1 million in revenues annually; and,

*WHEREAS*, municipalities can and will provide the personal service and assistance to its taxpayers in the preparation and filing of their tax reports and returns, as well as ensure the prompt and proper auditing of local tax returns to ensure all applicable deductions and declarations are reported, thus also ensuring that all taxpayers pay their fair share without causing higher costs of compliance for all, and must be able to do so without burdensome and costly restrictions included in the Governor's budget proposal created with the only purpose of restricting municipalities from correcting/auditing business return filings or making assessments; and

*WHEREAS*, provisions in this proposal will hamper municipalities' ability to audit and correct municipal income tax business returns, to equitably enforce the municipal income tax laws and has been crafted as a vehicle to control the administrative process of municipal income tax to the benefit of specific taxpayer interests; and

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*WHEREAS*, the municipal income tax is the single largest revenue source, which provides essential municipal services, promoting a positive quality of life that residents and businesses alike rely upon, and any forced reduction in this revenue will have a negative impact on residents and businesses, creating an environment detrimental to retaining and attracting business in Ohio; and,

*WHEREAS*, municipalities in Ohio, through the leadership of the Ohio Municipal League, have supported and participated in discussions of municipal income tax reform and uniformity and, further, have been responsive to requirements to quickly pass uniform municipal income tax codes, change administrative procedures, adhere to requirements of Section 718 of the Revised Code, change online information and restructure forms for taxpayer use, and all other provisions as required, all at an additional cost to municipalities; and

*WHEREAS*, municipalities must fight to protect their single largest revenue source, which provides essential municipal services and promotes a positive quality of life that residents and businesses alike rely upon, but which will be jeopardized by any forced reduction in this revenue, resulting in a negative impact on residents and businesses and creating an environment detrimental to retaining and attracting business in Ohio.

*NOW THEREFORE, THE MUNICIPALITY OF WEST CARROLLTON, STATE OF OHIO, HEREBY RESOLVES:*

Section 1: That this Council does hereby declare its strong opposition to any effort by the Ohio General Assembly to pass legislation that creates “unfunded mandates” and a loss of revenue under the guise of simplicity of filing business municipal income tax returns.

Section 2: That this Council urges its state legislators to reject the aforementioned provisions of the Governor’s budget submittal and any amendment to pending bills and opposes the introduction of any new legislation that proposes to reduce municipal income tax revenue to municipalities in Ohio.

Section 3: That the Ohio General Assembly should request the immediate removal of all language pertaining to municipal income tax collection and administration, and should promote upcoming changes to the Ohio Business Gateway as a solution for businesses to file municipal income tax returns in a more simple and efficient manner, with the Ohio Business Gateway continuing to act only as a portal to remit payments and filing information directly to municipalities, and not to the Ohio Department of Taxation for processing.



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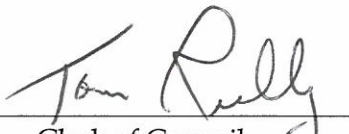
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Section 4: That this resolution shall be effective immediately upon its adoption and publication as required by law.

Passed: February 28, 2017

  
Mayor

Attest:   
Clerk of Council

Effective Date: February 28, 2017

## CERTIFICATE

The undersigned, Clerk of Council of the City of West Carrollton, Ohio, does hereby certify that the foregoing Resolution is a true and correct copy of Resolution No. 9-2017 adopted by Council on the 28th day of February 2017.

\_\_\_\_\_  
Clerk of Council

Date: \_\_\_\_\_

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