

# RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30048

Resolution No. #17-13

Passed April 22, 2013

COMMITTEE REVIEW:

INTRODUCED BY:

INTRODUCED ON:

DATE OF FIRST READING:

DATE OF SECOND READING:

DATE OF THIRD READING:

EMERGENCY CLAUSE:

TITLE ONLY PURSUANT TO SECTION 4.07 OF THE CHARTER: YES/NO

LEGISLATIVE COMMITTEE

COUNCILMEMBER IGRO

APRIL 22, 2013

APRIL 22, 2013

YES/NO

**A RESOLUTION STRONGLY OPPOSING THE PASSAGE OF HB 5 BY THE OHIO GENERAL ASSEMBLY WHICH PROPOSES UNIFORMITY MEASURES FOR MUNICIPAL INCOME TAX IN THE FORM OF UNFUNDED MANDATES AND A SUBSTANTIAL LOSS OF REVENUE.**

WHEREAS, municipalities throughout the State of Ohio agree that revenue neutral uniformity on issues that will ease compliance burdens for businesses in and potentially locating in Ohio would be of great benefit to all of Ohio; and

WHEREAS, the HB 5, as drafted, included provisions that are detrimental to the financial stability of municipalities, will drastically reduce revenue for all municipalities in Ohio, and includes "unfunded mandates" which will cripple the ability for municipalities to provide basic services to residents and resident businesses alike; and

WHEREAS, the recent reduction in the Local Government Fund, the elimination of the State Estate Income Tax, and other shared revenues has resulted, and will continue to result, in losses of revenue for the Municipality of Sebring and

WHEREAS, the proposals in HB 5 will result in an additional loss of revenue for the Municipality of Sebring, and will require the Municipality of Sebring to incur additional expenses in the form of new employees, new website requirements, and new state regulation compliance without any indication that HB 5 will provide any increase in collection efforts; and

WHEREAS, HB 5 includes provisions that require State oversight of municipal income tax administration, administrative policies and procedures for municipal income tax collection and administration that dramatically hamper the ability to administer the tax in an effective manner; and

WHEREAS, only municipalities can and will provide the personal service and assistance to its taxpayers in the preparation and filing of their tax reports and returns; and

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WHEREAS, only municipalities can 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 HB ~~601~~ created with the only purpose of restricting municipalities from correcting / auditing returns or making assessments; and

WHEREAS, only municipalities can and will aggressively pursue those non-compliant and delinquent taxpayers who, by their omission or deliberate deceit, drive up the costs of compliance to all, and ferret out instances of actual part-year residence under the most direct and local governmental oversight; and

WHEREAS, provisions in this bill hamper every municipality's ability to audit and correct municipal income tax returns, to equitably enforce the municipal income tax laws, creates increased cost of administration due to burdensome notification requirements, reduces revenue due to "unfunded mandates" and elimination of compliance processes, and has been crafted as a vehicle to control the administrative process of municipal income tax to the benefit of specific taxpayer interests; and

WHEREAS, municipalities must fight to protect their 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, HB 5 is a direct assault on local home rule and constitutes one more unfunded mandate by the State Legislature.

**NOW, THEREFORE, BE IT RESOLVED by the Council of the Municipality of Sebring, Mahoning County, Ohio that:**

Section 1. 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 municipal income tax uniformity.

Section 2. This Council urges its state legislators to reject HB 5, and any amendment to pending bills and opposes the introduction of new legislation that proposes to reduce municipal income tax revenue to municipalities in Ohio.

Section 3. The Ohio General Assembly should request the drafting of legislation that would address the multitude of issues including due dates for estimated tax payments, due



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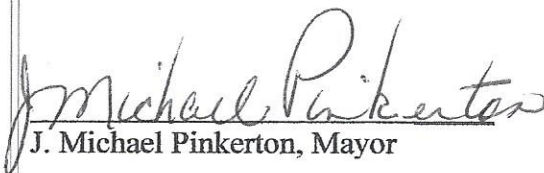
dates of withholding payments, due dates and procedures for extension request filings, due dates for annual Reconciliation of Returns, all of which will simplify the compliance process for businesses and individuals alike.

Section 4. The Ohio General Assembly should focus on restoring previous funding levels and focus on correcting its multitude of programming problems and customer service issues to make that tool less cumbersome, more useful and relevant to municipalities, businesses, and individuals as a simple, generic, one-stop method of filing local business income tax returns in one location.

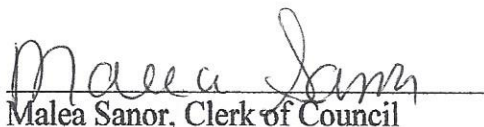
Section 5. Members of the Ohio House and Senate should engage in constructive dialogue with local officials to gain consensus on correction of the perceived issues of potential revenue-neutral commonality and uniformity in those few remaining differences in municipal income tax provisions.

Section 6. This Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare and for the further reason that the City must maintain revenue levels without threat of assault via legislation proposed by the Ohio General Assembly; therefore, this Resolution shall be in full force and effect immediately upon its adoption by Council.

Passed this 22 day of April 2013;

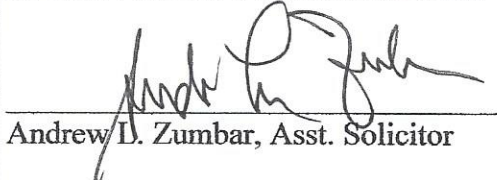
  
J. Michael Pinkerton, Mayor

Date: April 22, 2013

  
Malea Sanor, Clerk of Council

Date: April 22, 2013

APPROVED AS TO LEGAL FORM

  
Andrew L. Zumbar, Asst. Solicitor