

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30048

Resolution No. #45-13

Passed December 30, 2013

COMMITTEE REVIEW:

INTRODUCED BY:

COUNCILMEMBER WRIGHT

INTRODUCED ON:

DECEMBER 30, 2013

DATE OF FIRST READING:

DATE OF SECOND READING:

DATE OF THIRD READING:

EMERGENCY CLAUSE:

YES/NO

TITLE ONLY PURSUANT TO SECTION 4.07 OF THE CHARTER:

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, the Municipal Income Tax Uniformity Coalition, headed by the Ohio Society of CPA's, with business community membership including the Ohio Chamber of Commerce, with support from Representative Grossman and Representative Henne, met with members of the Ohio Municipal League and municipal income tax representatives; and

WHEREAS, the purpose of these Interested Parties meetings was to achieve consensus on issues regarding municipal income tax uniformity for the inclusion in legislation; and

WHEREAS, municipalities 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 Coalition has drafted and introduced language that is 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, 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, the long term purpose of HB 5 is State oversight of municipal income tax operations, which could lead to a future push for forced State Centralized Collection of municipal income tax; and

WHEREAS, municipalities have been responsive in the past to efforts to streamline the rules and regulations and create uniformity in the overwhelming majority of local tax codes creating a streamlined process for all taxpayers; and

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30048

Resolution No. _____

Passed _____, 20____

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 5 created with the only purpose of restricting municipalities from correcting / auditing returns or making assessments; 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.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Municipality of Sebring, 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 for municipalities.

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 that were agreed upon as a result of the Interested Parties meetings, which will bring uniformity to areas including (but not limited to) due dates for estimated tax payments, due 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 to the Ohio Business Gateway and focus on correcting its multitude of programming problems and customer service issues to make that tool less cumbersome, more useful and relevant to

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30048

Resolution No. #45-13

Passed _____, 20____

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.

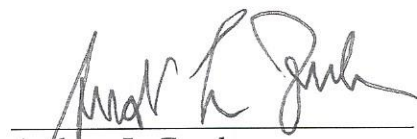
Passed on the 30th day of December 2013


J. MICHAEL PINKERTON
Mayor/President of Council

ATTEST:

APPROVED AS TO LEGAL FORM:


Malea G. Sanor
Clerk of Council


Andrew L. Zumbar
Assistant Solicitor