

TEMPORARY RESOLUTION NO. 34-12

PERMANENT RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OPPOSING THE STATE OF OHIO OR ANY OTHER THIRD PARTY CENTRAL COLLECTION ENTITY FROM SEEKING TO TAKE CONTROL OF MUNICIPAL INCOME TAX COLLECTION**

WHEREAS, Ohio Governor John Kasich and his staff are actively studying the feasibility, viability and wisdom of consolidating and centralizing the collection of municipal income tax and have suggested that the State take over the collection of municipal income taxes; and

WHEREAS, local income tax is the largest source of revenue for the City of Lancaster and for most municipalities in Ohio; and

WHEREAS, the City of Lancaster provides public services including police, fire, emergency medical, snow removal, and street lighting that are dependent upon revenue generated by local income taxes; and

WHEREAS, any proposal to add the municipal income tax as a possible "piggyback" to the State of Ohio tax return could change the basis of collections from a local income tax based on employment location to a tax based on residency; and

WHEREAS, prior economic development strategies were developed within the current basis of collection as a local income tax based on employment location and any mandated change in this basis of collections could have a drastic detrimental effect on future revenue for the City of Lancaster; and

WHEREAS, with recent reductions in the Local Government Fund, municipalities cannot afford another potential loss in revenue; and

WHEREAS, centralized collection would force municipalities to halt the excellent personalized service currently provided in the preparation and filing of individual tax returns, answering questions, and resolution of delinquencies; and

WHEREAS, a centralized tax collection system is contradictory to the idea of smaller government and would circumvent local control; and

WHEREAS, businesses currently have the ability to file their taxes electronically from anywhere through the Ohio Business Gateway;

**BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO**

SECTION 1. That this Council does hereby declare its strong opposition to any effort by the State of Ohio to take over the collection and/or administration of municipal income taxes in Ohio.

SECTION 2. That this Council urges its state legislators to reject any amendment to pending bills and oppose the introduction of new legislation that proposes to transfer collection and/or control of municipal income taxes to the State of Ohio Department of Taxation or any third party central collection entity.

**SECTION 3.** It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were taken in an open meeting of this Council, and that all deliberations of this Council and of any committee that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

**SECTION 4.** That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: \_\_\_\_\_ after \_\_\_\_\_ reading. Vote: Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Approved: \_\_\_\_\_

Clerk: \_\_\_\_\_

\_\_\_\_\_  
President of Council

Offered by: \_\_\_\_\_

\_\_\_\_\_  
Mayor

Second by: \_\_\_\_\_

Requested by Finance Committee