

TEMPORARY RESOLUTION NO. 111-17

PERMANENT RESOLUTION NO. 108-17

A RESOLUTION AUTHORIZING THE CITY OF LANCASTER, OHIO TO JOIN A COALITION OF MUNICIPALITIES AND RETAIN THE LAW FIRM OF FROST BROWN TODD LLC AS SPECIAL COUNSEL FOR THE PURPOSE OF INITIATING LITIGATION TO CHALLENGE THE CONSTITUTIONALITY OF AMENDMENTS TO CHAPTER 718 OF THE OHIO REVISED CODE RELATING TO MUNICIPAL INCOME TAX AND DECLARING AN EMERGENCY

WHEREAS, City Council for the City of Lancaster, Ohio recognizes, as a home rule power of local self-government, that municipal income tax administration and collection is vital to the health, safety and welfare of the municipality; and

WHEREAS, City Council for the City of Lancaster, Ohio relies on the revenue from effective municipal income tax administration and collection to provide the services that maintain the health, safety and welfare of the municipality; and

WHEREAS, the Ohio General Assembly has attempted to assert control over the administration and collection of municipal income taxes by claiming that a municipality has no authority to impose an income tax unless it adopts a code in strict compliance with R.C. Chapter 718; and

WHEREAS, the established law of Ohio is clear that any such preemption of municipal income tax codes by the State of Ohio violates the Ohio Constitution and home rule provisions that allow a municipal corporation the right to administer and enforce its own municipal income tax; and

WHEREAS, more specifically, the State of Ohio has enacted HB 5 in 2014 comprehensively rewriting the entire municipal income tax law and HB 49 in 2017 authorizing centralized collection by the State of Ohio of municipalities' net profits taxes; and

WHEREAS, City Council for the City of Lancaster, Ohio desires to assert its home rule authority to control the administration and collection of the municipal income tax, in order to provide for the health, safety and welfare of the municipality;

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

SECTION 1. That City Council hereby authorizes the City of Lancaster, Ohio to join a coalition of municipalities being formed for the purpose of initiating litigation to challenge the constitutionality of amendments to Chapter 718 of the Ohio Revised Code contained in H.B. 5 and H.B. 49, and further authorizes the retention of the law firm of Frost Brown Todd LLC as special counsel for the coalition of municipalities and to bring suit on behalf of the City of Lancaster, Ohio.

SECTION 2. This Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the City, and for the further reason that this Resolution is required to be immediately effective in order to bring

suit in a timely manner before the effective date of Am. Sub. HB 49 provisions. Wherefore, this Resolution shall be in full force and effect upon its passage.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all such deliberations of this Council were in meetings open to the public in compliance with all legal requirements.

Passed: 9/25/17 after 1<sup>st</sup> reading. Vote: Yeas 8 Nays 0

Date Approved: 9/25/17

Clerk: Jessica Lee Sandy

W. B. Hays  
President of Council

Offered by: T. A. C. C. C.

[Signature]  
Mayor

Second by: Harry E. K. C.

Requested by Law Committee