



City of Gahanna

200 South Hamilton
Road
Gahanna, Ohio 43230

Signature

Ordinance: ORD-0017-2019

File Number: ORD-0017-2019

TO AMEND SECTION 161.012, PURPOSES OF TAX; RATE, SECTION 161.013, ALLOCATION OF FUNDS, AND SECTION 161.081, CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY, OF CHAPTER 161, INCOME TAX, OF THE CODIFIED ORDINANCES OF THE CITY OF GAHANNA, RELATED TO INCREASING THE CITY INCOME TAX RATE OF THE CITY OF GAHANNA

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, STATE OF OHIO:

Section 1. That Section 161.012, Purposes of Tax; Rate, Section 161.013, Allocation of Funds, and Section 161.081, Credit for Tax Paid to Another Municipality, of the Codified Ordinances of the City of Gahanna is hereby amended and, as amended, shall read as shown on Exhibit A attached hereto and made a part herein.

Section 2. Existing Section 161.012; Purposes of Tax; Rate, Section 161.013, Allocation of Funds, and Section 161.081, Credit for Tax Paid to Another Municipality, shall remain in full force and effect until 11:59:59 PM on June 30, 2019.

Section 3. That the amendments to Section 161.012, Section 161.013, and Section 161.081, of the Codified Ordinances shall be effective 12:00:00 AM on July 1, 2019, if approved by the electorate.

Section 4. The tax is an annual tax levied on the income of every person residing in or earning or receiving income in the Municipality and that the tax shall be measured by Municipal Taxable Income.

Section 5. The Municipality is levying the tax in accordance with the limitations specified in Section 4.06 of the Charter of the City of Gahanna and Section 718.04 of the Ohio Revised Code and those provisions are made a part herein.

Section 6. The purpose of the income tax established by the Codified Ordinances of the City of Gahanna within Chapter 161 is to provide funds for municipal purposes. The tax shall be levied on and after July 1, 2019, at the rate of two and one-half percent (2.5%) per annum.

Section 7. Each resident shall be allowed a nonrefundable credit against the tax imposed under Chapter 161, Municipal Income Tax, of the Codified Ordinances of Gahanna with respect to that resident's Creditable Income, as provided for in Section 161.081, Credit for Tax Paid to Another Municipality.

Section 8. That this Ordinance shall be in full force and effect immediately upon passage by the electors of the City of Gahanna.

EXHIBIT A

161.012 - PURPOSES OF TAX; RATE

The purpose of the tax on income and the withholding tax established by this Chapter 161 is to provide funds for municipal purposes. The tax shall be, and is hereby levied on and after July 1, 2019, at the rate of ~~one and one-half~~ two and one-half percent per annum.

(Ord. No. 0121-2015, § 1(Exh. A), 12-7-15)

161.013 - ALLOCATION OF FUNDS

(a) The funds collected under the provisions of this Chapter 161 except as defined in Section 161.013(b) and (c) shall be deposited to the General Fund of the Municipality and, subject to Section 161.012, be applied for the following purposes, and in the following order to wit:

- (1) Such part thereof as shall be necessary to defray all costs of collecting the taxes levied by this Chapter and the cost of maintaining the Division of Taxation and administering and enforcing the provisions thereof.
- (2) Such part thereof as Council may appropriate for the purpose of paying the cost of general municipal operations.
- (3) Such part thereof as Council may appropriate for the purpose of paying the cost for repairs and maintenance of streets.
- (4) Such part thereof as Council may appropriate for the purpose of purchasing new equipment, maintenance, and capital improvements.
- (5) Such part thereof as Council may appropriate for the payment of principal and interest on certain bond issues for capital improvements.

(b) Effective on July 1, 2019, of the revenue generated by the additional one percent (1%) tax on income pursuant to Ordinance No. (the "Supplemental Revenue"), an amount equal to three-fourths (.75) of the Supplemental Revenue shall be deposited to the Capital Improvements Fund and be dedicated for the purposes of capital improvements and equipment for infrastructure, public safety, municipal facilities or parks and recreation, maintenance and repair of the same, and paying debt service for such purposes.

(c) Effective on July 1, 2019, an amount equal to one-fourth (.25) of the Supplemental Revenue shall be deposited to a dedicated fund of the Municipality for purposes of funding operations for parks and recreation, public safety, or public service.

(Ord. No. 0121-2015, § 1(Exh. A), 12-7-15)

161.081 - CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY

(a) Each resident shall be allowed a nonrefundable credit against the tax imposed under this Chapter with respect to that resident's Creditable Income. For purposes of this Section 161.081, "Creditable Income" means, with respect to any Taxable Year, the portion of a resident's income (1) on which the resident paid income tax to a municipality or county other than the City of Gahanna, or (2) with respect to which the employer of the resident

withheld the income tax of a municipality or county other than the City of Gahanna. Creditable Income shall not include income on which taxes were paid or withheld to the extent the resident is eligible to receive a refund of such taxes from the other municipality or county.

(b) The credit under division (a) of this Section 161.081 shall be equal to the product calculated by multiplying the following two (2) numbers:

(1) ~~Eighty-three and one-third~~ One Hundred percent (~~83-1/3~~ 100%).

(2) The lesser of the following amounts for the Taxable Year:

- A. The tax paid on the Creditable Income to the other municipality; OR
- B. The tax imposed under this Chapter, prior to application of this credit.

(c) For purposes of this Section 161.081, "Net Proceeds" means the total proceeds collected from the tax imposed under this Chapter on the Creditable Income of all residents, after the application of the credit under division (a). Until otherwise determined by the Municipality's City Council, the Net Proceeds for each fiscal year, as those Net Proceeds are verified by the Tax Administrator, shall be expended for ~~capital improvements and equipment in the following categories: deposited in the General Fund.~~

~~(1) Safety;~~

~~(2) Streets; and~~

~~(3) Stormwater Maintenance;~~

(d) The credit became effective with respect to taxable income earned and/or received on and after January 1, 1989, and the purpose of and intention behind the revisions made to this Section (at that time numbered Section 161.18) on January 6, 2015, are to provide clarification and to carry out the intent behind the credit since such effective date.

(e) The Municipality's City Council shall conduct a minimum of three (3) public hearings at least 60 days prior to any amendment of this Section 161.081.

(Ord. No. 0121-2015, § 1(Exh. A), 12-7-15)

Certificate of Result of Election on Question or Issue

R.C. 3501.11

State of Ohio



County of Franklin

The Board of Elections of Franklin

County hereby certifies that at the election

held in the ¹ City of Gahanna

(Name of Subdivision)

on the 7 day of May, 2019, the vote cast on the following issue was as follows:

Issue Shall Ordinance No. ORD-0017-2019 providing for an additional one percent (1%) levy on income earned on and after July 1, 2019, such that the total rate levied on income earned per annum

(Tax levy, bond issue, miscellaneous question, etc.-describe fully)

shall equal two and one-half percent (2.5%), and providing that seventy-five percent (75%) of the revenue resulting from the increase be dedicated for the purposes of capital improvements and equipment for infrastructure, public safety, municipal facilities or parks and recreation, including, without limitation, streets, buildings, park facilities, trails and playground elements, maintenance and repair of the same, and paying debt service for such purposes, and twenty-five percent (25%) of the revenue resulting from the increase be dedicated for the purposes of funding operations for public safety, public service, or parks and recreation, including, without limitation, police protection, 911 emergency services, snow removal, streetlight and traffic signal maintenance and parks and recreation programming; and to increase the credit for taxes paid to another municipality from eighty-three and one-third percent (83.33%) to one hundred percent (100%), be passed?

Votes For the Income Tax

5,921

(For, yes, etc.-as on ballot)

(Number)

Votes Against the Income Tax

1,426

(No, against, etc.-as on ballot)

(Number)

Total vote cast on issue:

7,347

(Number)

IN WITNESS WHEREOF, we have hereunto subscribed our names officially at

Columbus

, Ohio, this 28 day of May, 2019

(Month)

(Year)

Doug Reine
(Chair)

Kimberly E. McInnis

Michael E. ...

J. L. ...

Attest:

Edward ...

Director

Board of Elections

Franklin

County, Ohio.

¹ Appropriate subdivision. A copy must be sent to the Ohio Department of Taxation, Tax Equalization Division (tax levy or bond issue); Ohio Department of Taxation, Tax Analysis and Local Government Division (income tax); county auditor (levy or bond issue); and Secretary of State. To be submitted only by the most populous county board of election if multi-county issue.