

## Exhibit A

### **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) For municipal taxable years beginning on or after January 1, 2019, 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 municipal taxable years beginning before January 1, 2019, 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 percent (83 1/3).
- (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:~~

- ~~(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 I~~the purpose of and intention behind the revisions made to this section ~~– Credit for Tax Paid to Another Municipality (formerly codified at (at that time~~ numbered Section 161.18) on January 6, 2015, ~~are were~~ to provide clarification of and to carry out the intent behind the credit as it existed since such effective date. prior to January 6, 2015.

(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.