

RESOLUTION 49 - 11

A RESOLUTION STRONGLY OPPOSING ANY EFFORTS BY THE STATE OF OHIO OR ANY OTHER THRID PARTY CENTRAL COLLECTION ENTITY TO TAKE CONTROL OF MUNICIPAL INCOME TAX COLLECTION.

WHEREAS, Ohio Governor John Kasich and his staff are studying the feasibility, viability and wisdom of consolidating and centralizing the collections of municipal income tax, purportedly as a way to streamline and simplify the rules, regulations, and processing of those collections for Ohio’s businesses and residents; and

WHEREAS, local income tax is the largest source of revenue for the City of Orrville and most likely for the other municipalities in the State of Ohio and any disruption or interference with the current collection process will be harmful to the City’s financial operations; and

WHEREAS, the prospect of State control of municipal income tax collection presents numerous administrative difficulties including, but not limited to: how the State will administer local tax ordinances, how retention of and access to tax records will be handled, the timing and frequency of distribution of collected revenues to municipalities, and the reporting of tax collections to municipalities; and

WHEREAS, the City of Orrville advocates fair application and enforcement of our tax laws for its citizens, and as laws could be standardized across municipalities, the City could lose the ability to enforce its Code, eliminate the City’s ability to audit local tax returns and/or ensure compliance, as well as reduce the City’s ability to resolve/collect any delinquent filings or payments; all of these items along with the loss of personalized service in the preparation and filing of individual tax returns, answering questions, and resolution of delinquencies; and

WHEREAS, the City makes daily bank deposits of tax revenue, and the timing and distribution of State collected revenues to municipalities could impact the City’s cash flow and hinder the ability to provide timely services to residents of the City of Orrville, and

WHEREAS, with the reductions in the Local Government Fund, municipalities cannot afford another potential loss in revenue and administrative fees collected by the State and would most likely cost more than the City’s one Income Tax Administrator, 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;

NOW, THEREFORE, THE CITY OF ORRVILLE HEREBY RESOLVES:

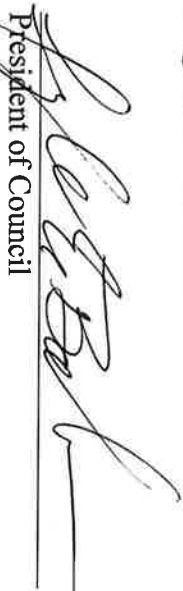
Section 1: This City of Orrville City Council strongly opposes any effort by the State of Ohio to take over the collection of municipal income taxes in Ohio and urges its state legislators to reject and oppose any legislation that proposes to transfer of collection and/or control of municipal income taxes to the State of Ohio Department of Taxation and recognize the negative impact a centralized income tax collection would have on our community.

Resolution No. _____ Passed _____, 20____

Section 2: The Clerk of Council is hereby authorized and directed to send a copy of this resolution to Governor John Kasich, Lt. Governor Mary Taylor, Senator Shannon Jones, Representative Ron Amstutz, Senator Larry Obhof, Tax Commissioner Joseph Testa and the Ohio Municipal League.

Section 3: That this Resolution shall be in full force and effect from and after the earliest period allowed by law.

Passed this 19th day of DECEMBER 2011.

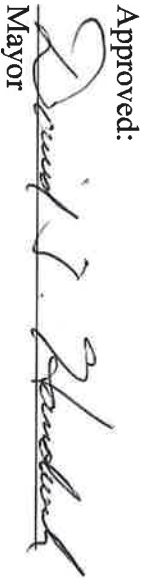


President of Council

Attest:



Clerk of Council - Acting

Approved:


Mayor

Date: 12/19/11