

**CITY OF VANDALIA
MONTGOMERY COUNTY, OHIO**

RESOLUTION NO 13-R-14

A RESOLUTION OPPOSING THE ADOPTION OF MUNICIPAL INCOME TAX UNIFORMITY MEASURES AS INTRODUCED IN THE 2012 OHIO GENERAL ASSEMBLY AND REINTRODUCED IN 2013 WHICH PROPOSED UNIFORMITY IN THE FORM OF UNFUNDED MANDATES AND AT A SUBSTANTIAL LOSS OF REVENUE TO MUNICIPAL GOVERNMENT.

WHEREAS, Cities in Ohio exist primarily as a tool of self-governance to provide high quality services to the citizens which live in them and to the constituents who visit for work, entertainment, education and other purposes; and

WHEREAS, Municipalities agree that revenue neutral uniformity on issues that will ease compliance burdens for businesses in and potentially locating in Ohio would be of great benefit to all; and

WHEREAS, the legislation as drafted and introduced in the 2012 Ohio General Assembly as HB 601 and which is to be reintroduced in the 2013 Ohio General Assembly as HB 5 contains language that is detrimental to the financial stability of municipalities, will reduce revenue for all municipalities in Ohio, and includes "unfunded mandates" which will limit the ability of municipalities to provide basic services to residents and businesses alike; and

WHEREAS, the recent reduction in the Local Government Fund, elimination of the Estate Tax, and the elimination of promised reimbursement for the loss of revenues due to the repeal of the Tangible Personal Property and Public Utilities Taxes will result in an annual loss of \$765,268 in revenue for the City of Vandalia; and

WHEREAS, the proposals in the 2012 uniformity measure known as HB 601 would result in additional estimated loss of revenue or increased costs of compliance of \$731,268 annually for the City of Vandalia; and

WHEREAS, Municipalities have been responsive in the past to efforts to streamline the rules and regulations and create uniformity in the overwhelming majority of local tax codes creating a streamlined process for all taxpayers; and

WHEREAS, the Dayton Region has brought together thirty-two communities who have developed a plan for tax uniformity that is truly revenue neutral and who have passed municipal legislation in support of the plan; and

WHEREAS, Municipalities must fight to protect their single largest revenue source, which provides essential municipal services, promoting a positive quality of life that residents and businesses alike rely upon, and any forced reduction in this

revenue will have a negative impact on residents and businesses, creating an environment detrimental to retaining and attracting business in Ohio; now therefore,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF VANDALIA, MONTGOMERY COUNTY, OHIO THAT:

SECTION 1. Members of the Ohio House and Senate should engage in constructive dialogue with local officials to gain consensus on correction of the perceived issues of potential revenue-neutral commonality and uniformity in those few remaining differences in municipal income tax provisions.

SECTION 2. This Council urges its state legislators to reject uniformity measures which do not include revenue-neutrality as the basis for adoption, and to adopt the provisions of the Miami Valley Tax Uniformity Coalition.

SECTION 3. This resolution shall take effect at the earliest period allowed by law.

Passed this 4th day of March, 2013.

APPROVED:

Arlene J. Setzer, Mayor

ATTEST:

Robert L. Anderson
Clerk of Council