

RESOLUTION NO. R-26-20

A RESOLUTION EXPRESSING OPPOSITION TO SENATE BILL 352 AND HOUSE BILL 754, WHICH PROPOSE TO REPEAL SECTION 29 OF H.B. 197, WHICH WILL RESULT IN A MULTITUDE OF UNINTENDED CONSEQUENCES THROUGH OHIO'S ENTIRE MUNICIPAL INCOME TAX SYSTEM, CAUSE A SUBSTANTIAL LOSS OF REVENUE THAT WILL IMPEDE THE ABILITY OF MUNICIPALITIES TO PROVIDE FOR THE HEALTH, SAFETY AND WELFARE OF MUNICIPAL RESIDENTS AND BUSINESSES AND THEREBY JEOPARDIZE THE FUTURE ECONOMIC GROWTH OF THE STATE OF OHIO AND DECLARING AN EMERGENCY

WHEREAS, the Mayor and Council have been advised of legislative proposals instituted by Senator Kristina Roegner and Representative Kris Jordan to repeal Section 29 of House Bill 197; and

WHEREAS, the proposals would repeal the emergency provision instructing municipal corporations such as the City of Avon to continue withholding income tax at a taxpayer's place of work even if said taxpayer is currently working from home in another local jurisdiction due to the novel coronavirus pandemic until thirty (30) days after the end of Governor DeWine's declaration of emergency; and

WHEREAS, the repeal of Section 29 of HB 197 without the benefit of in-depth hearings would radically change the long-standing municipal income tax collection structure throughout the entire state of Ohio during the ongoing COVID-19 pandemic; and

WHEREAS, Ohio's cities rely on municipal income tax as their primary source of revenue to fund essential services such as public health and safety, police and fire services, utilities and critical infrastructure; and

WHEREAS, the repeal of Section 29 of HB 197 would create substantial revenue cuts and destabilize the budgets of Ohio's largest economic centers, jeopardizing the state's economic competitiveness and stymieing future economic growth; and

WHEREAS, Ohio businesses would suffer the added administrative burden of tracking, reporting and remitting municipal income taxes based on employees' work-from-home locations; and

WHEREAS, Council for the City of Avon and the Administration urge state legislators not to hastily consider this legislation in the time remaining in this legislative cycle and, if necessary, take it up in the next legislative session with the opportunity to conduct extensive research and in-depth hearings into the consequences of such action.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVON, COUNTY OF LORAIN AND STATE OF OHIO:

Section 1 – The City of Avon urges that the Ohio General Assembly should not pass any legislation that would repeal Section 29 of HB 197.

Section 2 – The Ohio General Assembly and the DeWine Administration should establish a taskforce to study the effects of the COVID-19 pandemic on the future of the municipal income tax collection in Ohio before further action is taken regarding Section 29 of HB 197.

PASSED: _____ DATE SIGNED: _____

BY: _____
Brian Fischer Council President

DATE APPROVED BY THE MAYOR: _____

Bryan K. Jensen, Mayor

APPROVED AS TO FORM:

John A. Gasior, Law Director

ATTEST:

Barbara J. Brooks
Clerk of Council

POSTED: _____
In five places as
provided by Council

Prepared By:
John A. Gasior, Esq.
Law Director