

RESOLUTION NO. 63- 2017

To Join a Coalition of Municipalities in Challenging the Constitutionality of Amendments to Ohio Revised Code Chapter 718 Relating to the Administration and Collection of Municipal Income Taxes.

WHEREAS, the City of Worthington recognizes that municipal income tax administration and collection is an important home rule power of local self-government vital to the health, safety and welfare of the municipality; and,

WHEREAS, the City of Worthington depends on the revenue derived from its administration and collection of municipal income taxes to provide the services that maintain the health, safety and welfare of the municipality; and,

WHEREAS, the Ohio General Assembly has attempted to assert control over the administration and collection of municipal income taxes by claiming that a municipality has no authority to impose an income tax unless it adopts a municipal income tax code in strict compliance with Ohio Revised Code Chapter 718; and,

WHEREAS, in 2014 the State of Ohio enacted H.B. 5 which significantly altered most of Ohio Revised Code Chapter 718 and purported to mandate that municipalities rewrite their own locally adopted municipal income tax codes; and,

WHEREAS, in 2017 the State of Ohio enacted H.B. 49 which authorized the centralized collection of municipalities' net profits taxes by the State of Ohio and purported to mandate that municipalities adopt the amended provisions of Ohio Revised Code Chapter 718, including the requirement to pay the State 0.5% of revenues for the centralized collection; and,

WHEREAS, a coalition of municipalities intends to challenge the constitutionality of the amendments to Ohio Revised Code Chapter 718 contained in H.B. 5 and H.B. 49 as a violation of the home rule power of local self-government granted to municipalities in the Ohio Constitution;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Municipality of Worthington, County of Franklin, State of Ohio:

SECTION 1. The City Manager and Law Director are hereby authorized and directed to take the necessary actions for the City to join the coalition of municipalities being formed for the purpose of initiating litigation to challenge the constitutionality of the amendments to Chapter 718 of the Ohio Revised Code as contained in H.B. 5 and H.B. 49, including but not limited to the City being named as a plaintiff in the litigation, and retaining the law firm of Frost Brown Todd LLC as special counsel for the coalition of municipalities.

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SECTION 2. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were taken in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 3. That the Clerk be and hereby is instructed to record this Resolution in full in the appropriate resolution book.

Adopted October 16, 2017

/s/ Bonnie D. Michael  
President of Council

Attest:

/s/ D. Kay Thress  
Clerk of Council