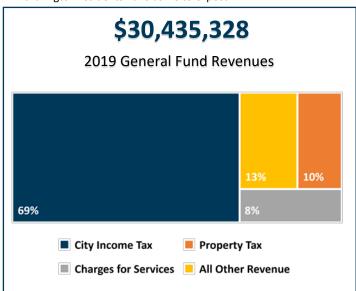
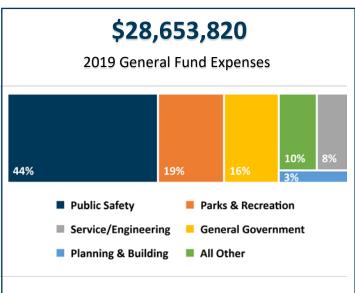


## An Overview of the City of Worthington's Finances

## **Funding Sources for City Services and Programs**

The City of Worthington's ability to fund operations that provide quality programs and services to its residents relies largely on income tax revenues. This makes supporting and strengthening Worthington's business community a top priority in order to maintain the quality of life Worthington residents have come to expect.

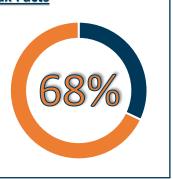


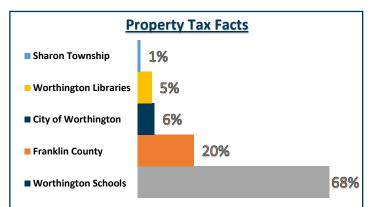


## **Income Tax Facts**

A large population of Worthington residents are employed outside of Worthington. Historically, 68% of working Worthington residents pay no income taxes to the City.

For this reason, efforts to strengthen and diversify the business base are essential to the fiscal well-being and sustainability of the City.





Property taxes are one of the largest bills that a homeowner receives and those taxes primarily go towards funding the Worthington School District. Property taxes represent a very small amount of revenue to the City of Worthington, only accounting for approximately 6% of a property owner's tax bill. This revenue equates to approximately 10% of the City's revenue.

## **How Local Income Taxes Are Calculated**

Income taxes are paid first to the city where an individual works and then where they live. Although there is no reciprocity between municipalities, the City of Worthington provides credit for taxes paid to the workplace municipality. The following are three scenarios for a typical Worthington household earning the approximate median annual income of \$100,000 per year. The examples below illustrate income taxes that would be paid based upon where the wage earners work.



A Worthington household with \$100,000 of wages earned in Worthington:

 Worthington Tax: \$100,000 X 2.5% = \$2,500 due to Worthington



A Worthington household with \$100,000 of wages earned in Columbus:

Columbus Tax: \$100,000 X 2.5% = \$2,500 due to Columbus
Worthington Tax: \$100,000 X 2.5% = \$2,500 less

 Worthington Tax: \$100,000 X 2.5% = \$2,500 less \$2,500 Credit provided by Worthington for taxes paid to Columbus = \$0 due to Worthington



Columbus

A Worthington household with \$100,000 of wages earned in Dublin (or other city levying 2.0% tax):

<u>Dublin Tax</u>: \$100,000 X 2.0% = \$2,000 due to
<u>Dublin</u>

• Worthington Tax: \$100,000 X 2.5% = \$2,500 less 80% Paid to Dublin \$2,000 credit provided by Worthington for taxes paid to Dublin = \$500 due to Worthington