

**GROVE CITY, OHIO COUNCIL
LEGISLATIVE AGENDA**

February 24, 2018

9:00 A.M. – Special Meeting

Review and consideration of Ordinance C-10-18

ORDINANCE C-10-18

**AN ORDINANCE TO REPEAL AND REPLACE CHAPTER 194 OF THE CODIFIED
ORDINANCES OF THE CITY OF GROVE CITY TITLED INCOME TAX AND
DECLARING AN EMERGENCY**

R. Date: 02/15/18
Introduced By: Mr. Davis
Committee: Finance
Originated By: Mr. Turner
Approved: Mr. Boso
Emergency: x 30 Days:
Current Expense:

No.: C-10-18
1st Reading: 02/20/18
Public Notice: 02/22/18
2nd Reading: 02/24/18
Passed: Rejected:
Codified: Code No:
Passage Publication:

ORDINANCE C-10-18

AN ORDINANCE TO REPEAL AND REPLACE CHAPTER 194 OF THE CODIFIED ORDINANCES OF THE CITY OF GROVE CITY TITLED INCOME TAX AND DECLARING AN EMERGENCY

WHEREAS, House Bill 49 of the 132nd General Assembly, the State's general appropriations bill for the biennium, includes Section 803.100 purporting to require that municipalities, on or before January 31, 2018, adopt certain municipal income tax provisions that are also adopted within H.B. 49 to authorize State officials to collect and administer municipal net profits taxes; and

WHEREAS, Section 803 .100 of H.B. 49 references and relies upon Section 718.04(A) of the Ohio Revised Code, which purports to make municipal income taxing authority conditional upon a municipality's adoption of code sections as dictated by the State; and

WHEREAS, the City of Grove City is a party to ongoing litigation seeking a declaration that the H.B. 49 municipal income tax provisions, Section 718.04(A) of the Ohio Revised Code, and other provisions of Ohio law that usurp the powers of local self-government are unconstitutional, and to enjoin all actions by state officials to implement the H.B. 49 municipal income tax provisions; and

WHEREAS, the December 21, 2017 Agreed Order City extended to February 24, 2018 the date purporting to require that municipalities adopt certain municipal income tax provisions that are also adopted within H.B. 49 to authorize State officials to collect and administer municipal net profits taxes; and

WHEREAS, although the municipal income tax provisions of H.B. 49, and Section 718.04(A) of the Ohio Revised Code, violate the Home Rule Amendment, the City of Grove City nevertheless is compelled to adopt H.B. 49's municipal income tax provisions, on or before February 24, 2018, to avoid any doubt or taxpayer challenge as to its ability to impose a municipal income tax under the terms of Section 803.100 of H.B. 49 and Section 718.04(A) of the Ohio Revised Code; and

WHEREAS, the City of Grove City, by enacting this Ordinance, does not concede the legality of H.B. 49's municipal income tax provisions, Section 718.04(A) of the Ohio Revised Code, or any other law that is subject to the suit in which the City of Grove City is participating, and reserves its right to continue prosecution of that lawsuit; and

WHEREAS, an emergency exists for the health, safety and general welfare of the community in that the City is required to enact these changes on or before February 24, 2018.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GROVE CITY, COUNTY OF FRANKLIN, AND STATE OF OHIO, THAT:

SECTION 1. Effective for tax years beginning on or after January 1, 2018, Chapter 194 is hereby repealed and replaced with Exhibit “A”, attached hereto and made a part hereof.

SECTION 2. The City of Grove City Council hereby expressly finds and determines that it does not concede the legality of H.B. 49’s municipal income tax provisions; Section 803.100 of H.B. 49; Section 718.04(A) of the Ohio Revised Code; or any other law that is the subject of the action pending in Case Number 2017 CV 10258 in the Franklin County Court of Common Pleas, and that the City of Grove City reserves its rights to continue its participation in and prosecution of said litigation, and any other litigation challenging the State’s authority to dictate municipal tax collection and administration, and that adoption of this Ordinance shall not prejudice the claims of the City of Grove City therein.

SECTION 3. This Ordinance arises from the coercive provisions of law found in H.B. 49 and Section 718.04(A) of the Ohio Revised Code and the need for the City of Grove City to preserve its taxing authority in the event that the H.B. 49 municipal income tax provisions and Section 718.04(A) of the Ohio Revised Code are not declared to be unconstitutional.

SECTION 4. As stated in the preamble, this ordinance is hereby declared to be an emergency measure and shall go into immediate effect.

Steven R. Robinette, President of Council

Passed:

Effective:

Richard L. Stage, Mayor

Attest:

+
Tami K. Kelly, MMC, Clerk of Council

I certify that this ordinance is correct as to form.

Stephen J. Smith, Director of Law