



Legislation Text

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File #: O-283-20, Version: 1

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Office of the Mayor

**Amending Chapter 1905 of the Toledo Municipal Code by enacting a new Section 1905.011 to provide, among other matters, for the levying of an additional one-quarter percent (1/4%) municipal income tax for a period commencing January 1, 2021 and ending December 31, 2024 to provide funds to pay costs of improving the City's system of roads, streets and bridges and to provide for all of the proceeds of that tax to be credited to a separate Road Improvements Fund created herein and dedicated and applied solely for that purpose after provision for the costs of collection, administration and enforcement of the tax.**

**SUMMARY & BACKGROUND:**

At the general election held on November 3, 2020, the electors of the City of Toledo voted to approve this Ordinance levying a new 1/4% income tax for the purpose of improving the City's system of roads, streets and bridges.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That Chapter 1905 of the Toledo Municipal Code be and is hereby amended by enacting a new Section 1905.011 of the Toledo Municipal Code to read as follows:

**"1905.011 Declaration of Purpose and Levying of an Additional Tax for Improvements to the City's System of Roads, Streets and Bridges and for the Imposition, Crediting, Allocation and Use of the Proceeds of that Tax.**

(A) In addition to the income taxes levied pursuant to Section 1905.01, for a period commencing January 1, 2021 and ending December 31, 2024, there shall be and is hereby levied an annual tax at the uniform rate of one-quarter percent (1/4%) per year on the income of every person residing in or earning or receiving income in the Municipality in order to provide funds necessary to pay costs of improving the City's system of roads, streets and bridges, including related debt charges.

(B) That tax shall be imposed on the municipal taxable income of every person who resides in or who earns or receives income in the Municipality measured in the same manner as set forth in Section 1905.03 with respect to the City's municipal income taxes levied pursuant to Section 1905.01; and as provided in Section 1905.01 (C) and (D) shall be levied in accordance with the provisions of Chapter 718 of the Ohio Revised Code, the provisions of which are thereby and hereby incorporated by reference.

(C) Notwithstanding any other provision of this Chapter 1905, all of the funds collected under the provisions of this Section 1905.011 shall be credited to a separate Road Improvements Fund and allocated and used for the following purposes and in the following order:

(1) Administration. Such part thereof as shall be necessary to defray all costs of collecting, administering and enforcing the provisions of this Chapter 1905, as the same would relate to the income tax levied pursuant to this Section, shall be appropriated by Council to the Income Tax Division.

(2) Allocation of Net Proceeds. The balance of funds resulting from that income tax, being the net proceeds thereof, shall be available for appropriation, as deemed necessary by the Council of the Municipality, solely to pay costs of improving the City's system of roads, streets and bridges, including related debt charges, that are costs of capital improvements as defined in Section 1905.14(E).

From those net proceeds of that income tax, there shall be appropriated each year into a debt service fund or funds such sum or sums as may be determined by Council to be required to meet principal and interest charges on indebtedness for capital improvements to the City's system of roads, streets and bridges.

The transfer or use of any such net proceeds for any other purpose is prohibited.”

SECTION 2. That a Road Improvements Fund is established for the receipt and expenditure of income taxes levied under Toledo Municipal Code Section 1905.011, with such levy proceeds, after provision of the costs of collection, administration and enforcement related to the same, to be authorized for expenditure solely for the purpose of improving the City's system of roads, streets and bridges as provided in Section 1905.011.

SECTION 3. That this Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this Ordinance were taken, and all deliberations of this Council and of any of its committees that resulted in such formal action were held, in meetings open to the public in compliance with the law, including as applicable Section 121.22 of the Ohio Revised Code and Am. Sub. H.B. 197.

SECTION 4. That this Ordinance shall be in full force and effect from and after January 1, 2021.

Passed: \_\_\_\_\_: yeas \_\_\_\_\_, nays \_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
President of Council

Approved: \_\_\_\_\_

\_\_\_\_\_  
Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

\_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council