



Legislation Text

File #: R-282-20, Version: 1

Office of the Mayor

Providing for an election on the question of the approval of the passage of an ordinance to amend Chapter 1905 of the Toledo Municipal Code to provide for the enactment of a new temporary 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 and the net proceeds, after the costs of its administration, enforcement and collection, to be dedicated and applied solely for that purpose; and declaring an emergency.

WHEREAS, this Council desires and believes it necessary to enact an ordinance to provide for a new temporary income tax of one-quarter percent (1/4%) for a period commencing January 1, 2021 and ending December 31, 2024, in order to provide funds necessary to pay costs of improving the City's system of roads, streets and bridges, which new tax shall be in addition to all of the City's other municipal income taxes; and

WHEREAS, this Council desires and believes it necessary that all of the proceeds of the new tax be credited to a separate City Road Improvements Fund and, after costs of its administration, enforcement and collection, that all net proceeds be dedicated and applied solely to pay costs of improving the City's system of roads, streets and bridges, including related debt charges; and

WHEREAS, the provisions of Chapter 718 of Ohio Revised Code require that the passage of such an ordinance receive the approval of the electors of the City;

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

SECTION 1. That the Council hereby authorizes and directs that there be submitted to the electors of the City of Toledo at an election to be held on November 3, 2020, the question of the approval of the passage of an ordinance to enact a new Section 1905.011 of the Toledo Municipal Code in order to provide, among other things, (i) 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, in order to provide funds necessary to pay costs of improving the City's system of roads, streets and bridges, including related debt charges; (ii) for all of the proceeds of that tax to be credited to a separate Road Improvements Fund and the net proceeds, after costs of its administration, enforcement and collection, to be dedicated and applied solely for that purpose, and (iii) for a prohibition of the transfer or use of any such net proceeds for any other purpose.

SECTION 2. That the proposed ordinance submitted to the electors of the City for their approval pursuant to this resolution shall be as follows:

ORD. 283-20

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.

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.

SECTION 3. That it is the desire and request of this Council that the ballot language presented to the electors of the City for said question shall be substantially in the following form:

A Majority Affirmative Vote is Necessary for Passage.

Shall the ordinance (Ordinance No. 283-20) providing for a temporary one-quarter percent levy on income for the period commencing on January 1, 2021 and ending December 31, 2024 in order to provide funds necessary to pay costs of improving the City’s system of roads, streets and bridges, including related debt charges, which tax shall be in addition to all of the City’s other levies on income; and for all of net proceeds of that tax credited to a separate Road Improvements Fund to be dedicated and applied solely for that purpose; and for the transfer or use of any such net proceeds for any other purpose to be prohibited, be passed?

_____ For the Income Tax

_____ Against the Income Tax

SECTION 4. That the Clerk of Council be and is hereby authorized and directed to file a certified copy of this Resolution with the Board of Elections of Lucas County, Ohio, before 4 p.m. on August 5, 2020.

SECTION 5. That this Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the adoption of this Resolution were taken, and that all deliberations of this Council and of any of its committees that resulted in those formal actions 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 6. That this Resolution is declared to be an emergency measure and shall be in force and effect from and after its adoption. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety, and property and for the further reason that this

Resolution must be immediately effective in order to comply with the statutory deadline for submission of the question to the electors at an election on November 3, 2020.

Vote on emergency clause: yeas _____, nays _____.

Adopted: _____, as an emergency measure: yeas _____, nays _____.

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor

I hereby certify that the above is a true and correct copy of a Resolution adopted by Council

_____.

Attest: _____
Clerk of Council