IN THE CITY OF MAYFIELD HEIGHTS

ORDINANCE NO. 2019-38

INTRODUCED BY MAYOR ANTHONY DICICCO
AND ALL MEMBERS OF COUNCIL

AN ORDINANCE AMENDING CHAPTER 794 OF THE CODIFIED ORDINANCES OF THE CITY OF MAYFIELD HEIGHTS TITLED “EARNED INCOME TAX REGULATIONS EFFECTIVE BEGINNING JANUARY 1, 2016” BY AMENDING SECTION 794.06, AND DECLARING AN EMERGENCY

WHEREAS, it is Council’s determination, upon recommendation by the Mayor, to update Chapter 794 of the Codified Ordinances of the City to increase the credit for income tax paid to other municipalities.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MAYFIELD HEIGHTS, COUNTY OF CUYAHOGA, STATE OF OHIO, THAT:

SECTION 1. It has been determined by the Council of the City of Mayfield Heights that it is necessary that the credit for income tax paid to other municipalities be increased from fifty percent to one hundred percent if the income tax increase set out in Ordinance No. 2019-37 is approved by the electors.

SECTION 2. If the Income Tax increase is approved by the electors, it is the intention of Council to increase the credit paid by residents to other municipalities by amending Section 794.06(a) to read as follows: (new material appears like THIS: deleted material appears like:

794.06 CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.

(a) Every individual taxpayer domiciled in the City who is required to and does pay, or has acknowledged liability for, a Municipal tax to another municipality on or measured by the same income, qualifying wages, commissions, net profits or other compensation taxable under this chapter, may claim a nonrefundable credit against the tax imposed by this chapter upon satisfactory evidence that tax has been paid to another municipality. Subject to division (c) of this section, the credit shall not exceed fifty ONE HUNDRED percent of the amount obtained by multiplying the income, qualifying wages, commissions, net profits or other compensation subject to tax in the other municipality by the lower of the tax rate in such other municipality or the tax rate imposed under this chapter.

(b) The City shall grant a credit against its tax on income to a resident of the City who works in a joint economic development zone created under Ohio R.C. 715.691 or a joint economic development district created under Ohio R.C. 715.70, 715.71, or 715.72 to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation.

(c) If the amount of tax withheld or paid to the other municipality is less than the amount of tax required to be withheld or paid to the other municipality, then for purposes of division (a) of this section, the income, qualifying wages, commissions, net profits or other compensation subject to tax in the other municipality shall be limited to the amount computed by dividing the tax withheld or paid to the other municipality by the tax rate for that municipality.

SECTION 3. The amendment to Section 794.01(b) shall be effective on and after July 1, 2020 but only upon passage by the electors of the income tax increase approved by Council by the adoption of Ordinance No. 2019-37.

SECTION 4. No part of this Ordinance upon passage and approval shall be deemed to impair in any way or affect or release any obligation or liability to pay, declare or withhold taxes or file returns by virtue of Income Tax Provisions enacted or in effect prior to July 1, 2020, in the City of Mayfield Heights, Ohio.

SECTION 5. Any and all provisions of Chapter 794 of the Codified Ordinances of the City inconsistent herewith are hereby repealed, and all other sections of Chapter 794 not inconsistent herewith shall remain in full force and effect.

SECTION 6. The Council finds and determines that all formal actions of this Council relating to the adoption of this Ordinance have been taken at open meetings of this Council; and that deliberations of this Council and of its committees, resulting in such formal action, took place in meetings open to the public, in compliance with all statutory requirements including the requirements of Section 121.22 of the Ohio Revised Code.
SECTION 7. This Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety and welfare of said City for the reason that the disposition of the Additional Income Tax Funds generated by the adoption and approval of the amendment to Section 794.01 in Ordinance No. 2019-37 must be set out immediately. Therefore, this Ordinance shall take effect immediately upon the affirmative vote of not less than five (5) members elected to Council, and signature by the Mayor, or otherwise at the earliest time allowed by law.

First Reading: November 25, 2019
Second Reading: Suspended
Third Reading: Suspended
Passed: November 25, 2019

Attest:
Karen Fegan, Clerk of Council

Donna R. Finney, President of Council

Presented
To Mayor: November 25, 2019

Approved: November 25, 2019

Anthony DiCicco, Mayor

Approved as to form:
Paul T. Murphy, Director of Law