

ORDINANCE NO. 039-17

AN ORDINANCE AMENDING THE PROVISION OF THE INCOME TAX CODE OF THE CITY OF NAPOLEON, OHIO TO PROVIDE FOR A TEMPORARY INCREASE OF THREE TENTHS PERCENT (0.3%) TO THE PERMANENT 1.3% INCOME TAX; SAID 0.3% TEMPORARY INCOME TAX INCREASE TO COMMENCE ON JANUARY 1, 2018 AND END ON DECEMBER 31, 2022; AND TEMPORARILY REPEALING ORDINANCE NO. 103-08, AND AMENDING SECTION 193.02 OF THE CODIFIED ORDINANCES, ALL SUBJECT TO APPROVAL BY THE ELECTORS OF THE CITY OF NAPOLEON, OHIO ON THE NOVEMBER 7, 2017 BALLOT

WHEREAS, after review by the Finance and Budget Committee of Council, as well as Council as a whole, it has been determined that a moderate, temporary increase in income tax (0.3% beginning on January 1, 2018 and ending on December 31, 2022) is required in order to provide adequate funds in future years for the purpose of design, engineering, and construction for capital maintenance of City streets and roads; **Now Therefore,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:

Section 1. Subject to approval of the electors of the City of Napoleon, Ohio, as provided for in Section 718.01 of the Ohio Revised Code ("Municipal Income Taxes"), Section 193.02 of the Codified Ordinances of the Napoleon, Ohio, as currently written, shall be amended to provide a temporary three tenths percent (0.3%) increase in the tax levied on income from one and three tenths percent (1.3%) to one and six tenths percent (1.6%) beginning on January 1, 2018 and ending on December 31, 2022, unless otherwise amended or abolished in accordance with the law. After expiration of the three tenths percent (0.3%) temporary increase income tax period of January 1, 2018 through December 31, 2022, the former one and three tenths percent (1.3%) income tax will remain in full force and effect unless otherwise amended or abolished in accordance with the law.

Section 2. That, Ordinance No. 103-08 is temporarily repealed until December 31, 2022 or unless otherwise amended in accordance with the law.

Section 3. That, Ordinance No. 080-09 which levies a permanent two tenths percent (0.2%) income tax for purposes of the City's Recreation Fund remains in full force and effect and is not otherwise altered in any manner by the passage of this Ordinance No. 040-17.

Section 4. That, Section 193.02 of the codified code of Napoleon, Ohio, is amended and enacted as follows:

"193.02 IMPOSITION OF TAX.

(a) Effective July 1, 2009, and on and after said date, there is hereby levied a tax at the rate of one and three-tenths percent (1.3%) to provide funds for the purposes of: (1) General municipal operations, (2) Acquisition and maintenance of both personal and real property for the use or benefit of the City, (3) Extension, enlargement and improvement of municipal services and facilities, (4) Capital improvements in and of the

City, and (5) For the promotion of economic development in and for the City. In addition, and effective , 2018, and ending on , 2022, there is hereby levied a temporary tax at the rate of three tenths percent (0.3%) to provide funds for the purpose of design, engineering and construction for capital maintenance of City streets and roads. All aforementioned taxes noted in this paragraph (a) shall be levied upon all the following:

(1) All salaries, wages, and other compensation and net profits earned or received by resident individuals;

(2) All salaries, wages, and other compensation and net profits earned or received by non-resident individuals for, or derived from, or as a result of, work done, services rendered and business conducted in the City;

(3) All net profits attributable to the City earned by all resident and nonresident unincorporated businesses, professions and other activities for, or derived from, work done, rentals or services performed, and business or other activities conducted in the City;

(4) The entire portion of the distributive share of all net profits, not otherwise attributable to the City, earned by a resident, individual, resident owner of an unincorporated business entity, or resident partner for, or derived from, work done, rentals or services performed, and business or other activities conducted outside the City, and not otherwise lawfully levied against by another municipality;

(5) The entire portion of the distributive share of all net profits, not otherwise attributable to the City, earned by a non-resident individual, non-resident owner of an unincorporated business activity, or non-resident partner for, or derived from, work done, rentals or services performed, and business or other activities conducted in the City and not levied against the unincorporated business entity itself;

(6) All net profits attributable to the City earned by corporations for, or derived from, work done, rentals or services performed, and business or other activities conducted in the City;

(7) All net profits earned by fiduciaries of resident individuals for, or derived from, business conducted;

(8) All net profits attributable to the City earned by fiduciaries of non-resident individuals for, or derived from, business conducted in the City; and

(9) The gross proceeds earned or derived from gaming, wagering, lotteries, including but not limited to the Ohio State Lottery, or lotteries where the State of Ohio is a part thereof, or games or schemes of chance, by residents of the City; and/or, the gross proceeds earned or derived from gaming, wagering, lotteries, or games or schemes of chance, when any part of the activity is engaged into or conducted in the City, by nonresidents, are all subject to the City tax to the same extent includable on the recipient's federal tax return, whether or not the recipient is required to file a federal tax return and whether or not the recipient pays federal income tax on the gross proceeds, except that it shall not be taxed as a business income unless the person subject to this tax has a federal gamblers' permit effective during the tax year in which income from gaming, wagering, lotteries or schemes or games of chance is received.

(b) The portion of the net profits attributable to the City of a taxpayer doing work, rendering services or conducting business both within and outside the City shall be determined in the same proportion as the average ratio of the following:

(1) The average original cost of the real and tangible personal property owned or used by the taxpayer in the business in the City during the taxable period to the average original cost of all real and tangible personal property owned or used by the taxpayer in the business during the same period, wherever situated. As used in this paragraph, real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight (8);

(2) Salaries, wages and other compensation paid during the taxable period to persons employed in the business and salespeople for work done or services rendered in the City to compensation paid during the same period to persons employed in the business and salespeople, wherever their work is done or their services are rendered;

(3) Gross receipts of the business during the taxable period from sales made and services rendered in the City to gross receipts of the business during the same period from sales and services, wherever made or rendered.

If the foregoing allocation formula does not produce an equitable result, another basis may, under uniform regulations, be substituted so as to produce such result.

(c) As used in subsection (b) hereof, "sales made in the City" means:

(1) All sales of tangible personal property which is delivered within the City regardless of where title passes if shipped or delivered from stock of goods within the City;

(2) All sales of tangible personal property which is delivered within the City regardless of where title passes even though transported from a point outside the City if the taxpayer is regularly engaged through its own employees and salespeople in the solicitation or promotion of sales within the City and the sales result from such solicitation or promotion;

(3) All sales of tangible personal property which is shipped from a place within the City to purchasers outside the City regardless of where title passes if the taxpayer is not, through its own employees and salespeople regularly engaged in the solicitation or promotion of sales at the place where delivery is made."

Section 5. That, if the electors of the City of Napoleon, Ohio approve the aforesaid temporary increase in income tax (0.3%) as provided for in Section 1 of this Ordinance, then Section 193.02 of the Codified Code, as existed prior to the enactment of this Ordinance, shall be thereby amended to allow for the temporary increase in income tax (0.3%) effective , 2018, and ending , 2022; however, should the electors of the City of Napoleon Ohio, not approve said three tenths percent (0.3%) temporary increase in the rate of income tax, then Section 193.02 of the Codified Code shall not be amended and shall remain in full force and effect.

Section 6. That, the question of approval of the increase in the percentage of income tax shall be submitted to the electors of the City of Napoleon, Ohio at an election (special or primary) to be held November 7, 2017. The form of the ballot will be substantially as follows:

Proposed temporary three tenths percent (0.3%) increase in the City of Napoleon, Ohio, income tax from one and three tenths percent (1.3%) to one and sixth tenths percent (1.6%). The permanent one and three tenths percent (1.3%) income tax to continue to be used for the purposes of: (1) General municipal operations, (2) Acquisition and maintenance of both personal and real property for the use or benefit of the City, (3)

Extension, enlargement and improvement of municipal services and facilities, (4) Capital improvements in and of the City, and (5) For the promotion of economic development in and for the City. The temporary three tenths percent (0.3%) income tax to be used for the design, engineering and construction for capital maintenance of City streets and roads.

A MAJORITY VOTE NECESSARY FOR PASSAGE

Shall the Ordinance providing for a three tenths percent (0.3%) levy on income for the purpose of design, engineering, and construction for capital maintenance of City streets and roads to be passed?

_____ For the Income Tax

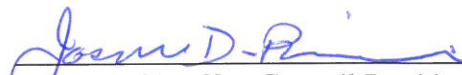
_____ Against the Income Tax

Section 7. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Ordinance were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 8. That, if any other prior Ordinance or Resolution is found to be in conflict with this Ordinance, then the provisions of this Ordinance shall prevail. Further, if any portion of this Ordinance is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof.

Section 9. That, upon passage, this Ordinance shall take effect at the earliest time permitted by law.

Passed: July 17, 2017

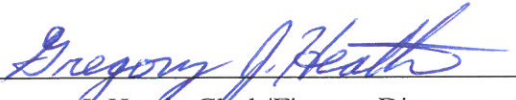

Travis B. Sheaffer, Council President Pro-Tem
Joe Bialorucki

Approved: July 17, 2017


Jason P. Maassel, Mayor

VOTE ON PASSAGE 5 Yea 0 Nay 0 Abstain

Attest:


Gregory J. Heath, Clerk/Finance Director

I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Ordinance No. 039-17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the 31st day of July, 2017; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.


Gregory J. Heath, Clerk/Finance Director

STATE OF OHIO
COUNTY OF HENRY

Kimberly Imm, being first duly sworn, states that she is the Assistant Publisher of The Bryan Publishing Company, owner of The Northwest Signal, a daily newspaper, published and of general circulation in the county of Henry aforesaid, and that the annexed notice was published in one issue in said paper, on the 31st day of July 2017.

Kimberly Imm
Kimberly Imm

Subscribed and sworn to before me this 31st day of July, 2017

Beverly Griteman
Beverly Griteman
Notary Public,
State of Ohio
My Commission Expires
February 13, 2021

Printer's Fee: \$222.00
Notary Fee: \$1.50

Resolution 040-17

A RESOLUTION PROVIDING FOR AN ELECTION ON THE QUESTION OF THE PROVISION OF THE INCOME TAX CODE OF THE CITY OF NAPOLEON, OHIO TO PROVIDE FOR A TEMPORARY INCREASE OF THREE TENTHS PERCENT (0.3%) TO THE PERMANENT ONE AND THREE TENTHS PERCENT (1.3%) INCOME TAX; SAID 0.3% TEMPORARY INCOME TAX INCREASE TO COMMENCE ON JANUARY 1, 2018 AND END ON DECEMBER 31, 2022; AND TEMPORARILY REPEALING ORDINANCE NO. 103-08, AND AMENDING SECTION 193.02 OF THE CODIFIED ORDINANCES, ALL SUBJECT TO APPROVAL BY THE ELECTORS OF THE CITY OF NAPOLEON, OHIO ON THE NOVEMBER 7, 2017 BALLOT

In this legislation, the City of Napoleon authorized the question of amending the current Municipal Income Tax Code to provide a temporary 0.3% increase to be placed on the November 2, 2017 General Election ballot. A complete copy of the proposed question can be obtained from the City as stated in the above Notice.

All of the above summaries are approved as to form and correctness by Billy D. Harmon, City Law Director

LEGAL NOTICE

**Summary of Ordinance No.(s) 039-17 and
Resolution No.(s) 037-17, 040-17**

(PURSUANT TO ARTICLE II, SECTION 2.15 OF THE CITY CHARTER, CHAPTER 121 OF THE CODE OF ORDINANCES AND COUNCIL RULE 6.2.4.1, AS WELL AS APPLICABLE PROVISIONS OF ORC CHAPTER 731)

NOTICE

A copy of the complete text of the above named Ordinance(s) and Resolution(s) are on file in the office of the City Finance Director and may be viewed or obtained during business hours of 7:30 AM to 4:00 PM, Monday through Friday, at the office of the Finance Director, the location being 255 West Riverview Avenue, Napoleon, Ohio. A copy of all or part of the above named Ordinances and Resolutions, or any item mentioned in this notice, may be obtained from the City Finance Director upon the payment of a reasonable fee therefore.

Ordinance 039-17

AN ORDINANCE AMENDING THE PROVISION OF THE INCOME TAX CODE OF THE CITY OF NAPOLEON, OHIO TO PROVIDE FOR A TEMPORARY INCREASE OF THREE TENTHS PERCENT (0.3%) TO THE PERMANENT 1.3% INCOME TAX; SAID 0.3% TEMPORARY INCOME TAX INCREASE TO COMMENCE ON JANUARY 1, 2018 AND END ON DECEMBER 31, 2022; AND TEMPORARILY REPEALING ORDINANCE NO. 103-08, AND AMENDING SECTION 193.02 OF THE CODIFIED ORDINANCES, ALL SUBJECT TO APPROVAL BY THE ELECTORS OF THE CITY OF NAPOLEON, OHIO ON THE NOVEMBER 7, 2017 BALLOT

In this legislation, the City of Napoleon proposed to amend the current Municipal Income Tax Code to provide a temporary 0.3% increase, to be approved by the electors on the November 2, 2017 ballot.

Resolution 037-17

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO APPLY AND ACCEPT OHIO PUBLIC WORKS COMMISSION STATE CAPITAL IMPROVEMENT PROGRAM (SCIP) AND LOCAL TRANSPORTATION IMPROVEMENT PROGRAM (LTIP) FUNDS FOR PROJECTS DEEMED NECESSARY BY THE CITY ENGINEER IN THE YEAR 2018

In this legislation, the City of Napoleon authorized the City Manager to execute all documents necessary for LTIP funds for projects deemed necessary by the City Engineer for the year 2018.