RESOLUTION NO. <u>58-17</u> CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER John falcher ON THE 16th DAY OF OCTOBER, 2017.

A RESOLUTION ENGAGING THE LEGAL SERVICES OF FROST BROWN TODD FOR THE PURPOSES OF CHALLENGING HB 49 AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH FROST BROWN TODD IN AN AMOUNT NOT TO EXCEED \$4000.

WHEREAS, the City of Centerville recognizes, as a home rule power of local self-government, that municipal income tax administration and collection is vital to the health, safety and welfare of the municipality; and

WHEREAS, the City of Centerville relies on the revenue from effective municipal income tax administration and collection to provide the services that maintain the health, safety and welfare of the municipality; and

WHEREAS, the Ohio General Assembly has attempted to assert control over the administration and collection of municipal income taxes by claiming that a municipality has no authority to impose an income tax unless it adopts a code in strict compliance with R.C. Chapter 718; and

WHEREAS, the established law of Ohio is clear that any such preemption of municipal income tax codes by the State of Ohio violates the Ohio Constitution and home rule provisions that allow a municipal corporation the right to administer and enforce its own municipal income tax; and

WHEREAS, more specifically, the State of Ohio has enacted HB 5 in 2014 comprehensively rewriting the entire municipal income tax law and HB 49 in 2017 authorizing centralized collection by the State of Ohio of municipalities' net profits taxes; and

WHEREAS, the City of Centerville desires to assert its home rule authority to control the use of local right-of-way in the best interests of its citizens; and

WHEREAS, the City of Centerville desires to assert its home rule authority to control the administration and collection of the municipal income tax, in order to provide for the health, safety and welfare of the municipality;

NOW THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES:

- Section 1. The City of Centerville hereby authorizes the law firm of Frost Brown Todd to bring suit on behalf of the City of Centerville declaring House Bill 49 as unconstitutional and otherwise in violation of Ohio law and the City wishes to join a coalition of municipalities for the purpose of challenging the constitutionality of amendments to Chapter 718 of the Ohio Revised Code contained in HB 5 and 49.
- Section 2. The City hereby authorizes the City Manager to enter into an engagement agreement with Frost Brown Todd along terms and conditions acceptable to the City Manager and Municipal Attorney in an amount not to exceed \$4000.

Section 3. This resolution shall become effective at the earliest time allowed by law.

PASSED THIS 11 day of October, 2017.

Bush & Compton

Mayor of the City of Centerville, Ohio

ATTEST:

Clerk of Council

City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Resolution No. 58-17, passed by the Council of the City of Centerville, Ohio on the 16-14 day of 10 ctoler 2017.

Clerk of the Council

Approved as to form, consistency with existing ordinances, the charter & constitutional provisions Department of Law Scott A. Liberman Municipal Attorney