

ORDINANCE 22-18

AN ORDINANCE AMENDING SECTION 100.08 OF THE INCOME TAX CODE ADOPTED BY ORDINANCE 15-16 PROVIDING AN INCOME TAX CREDIT TO RESIDENT TAXPAYERS WHO PAY MUNICIPAL INCOME TAX TO POTHER MUNICIPALITIES

WHEREAS, the Village Council of the Village of Covington, Ohio is responsible for the fiscal well-being of the Village.

WHEREAS, the Council has constantly focused on reducing the expenses of the operation of the Village by eliminating all but critical personnel, and expenditures necessary for maintaining the operation of the Village in a responsible fashion; and

WHEREAS, in spite of the efforts of Council to reduce and/or eliminate expenses relative to the operations of the Village, the revenues to fund necessary expenses are insufficient to cover the Village's needs.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF COVINGTON, COUNTY OF MIAMI, STATE OF OHIO, HEREBY ORDAINS:

SECTION I. That it is hereby declared to be the intention of this Council to seek additional sources of revenue to be able to pay expenses without having to levy additional taxes upon the residents of the Village of Covington, Ohio.

SECTION II. In accord with the intent of Council, and after substantial review and deliberation, Council determines it to be in the best interests of the Village of Covington and in accord with the responsibility of Council to provide for the health, welfare and safety of the residents of the Village to repeal and replace Section 100.08 of Ordinance 16-15, and modify said Ordinance as follows:

152.08 CREDIT FOR TAX PAID

- A) The current Section 100.08 of Ordinance 15-16 shall be repealed in its entirety; said section is attached as Exhibit A; and shall be replaced as follows:

CREDITS FOR TAXES PAID TO OTHER MUNICIPALITIES

- A) Every taxpayer domiciled in the Municipality who is required to and does pay, or has acknowledged liability for, a municipal tax to another municipal corporation on or measured by the same income that is taxable income under this Chapter may claim a partial nonrefundable credit upon satisfactory evidence of the tax paid to the other municipal corporation. **Effective January 1, 2019, resident taxpayers of the Village of Covington, Ohio shall receive one half percent (1/2%) credit for income tax paid to another municipality from the current one and one half**

percent (1.5 %) income tax due the Village of Covington. In no event shall the amount of the credit exceed one-half percent (1/2%) of the income subject to taxation. Subject to division (C) of this section, the credit shall not exceed the tax due the Municipality under this Chapter.

- B) If tax or withholding is paid on income or wages to a municipal corporation other than the Municipality and the Municipality also imposes or assesses a tax on that same income or wages after the time period allowed for a refund of the tax or withholding paid to the other municipal corporation, the Municipality shall allow a nonrefundable credit, against the tax or withholding to the Municipality with respect to such income or wages, equal to the tax or withholding paid to the first municipal corporation with respect to such income or wages.

If the tax rate in the Municipality is less than the tax rate in the other municipal corporation, then the credit described herein shall be calculated using the tax rate in effect in the Municipality.

If the tax rate in the Municipality is greater than the tax rate in the other municipal corporation, the tax due in excess of the credit afforded is to be paid to the Village of Covington, along with any penalty and interest accruing thereto during the period of nonpayment.

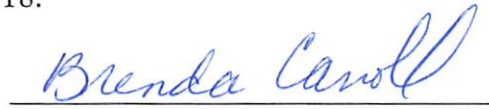
- C) The Municipality shall grant a credit against its tax on income to a resident of the Municipality who work in a county that imposes an income tax, to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation.
- D) No credit shall be given for Municipal or County income tax paid outside the State of Ohio.

SECTION 3. This Ordinance is necessary for the preservation of the public peace, health, safety and welfare of the Village of Covington, Ohio and shall take effect at the earliest period allowable by law.

ADOPTED this 17th day of December, 2018.



Edward L. McCord, Mayor




Brenda Carroll, Clerk-Fiscal Officer



R. Scott Tobias, Council President

Approved as to legal form:



Frank J. Patrizio, Solicitor