

1st reading _____
2nd reading _____
3rd reading _____
Voted On _____
Ayes: _____ Nays: _____
PASSED _____ DEFEATED _____

ORDINANCE NO. 2018-14

**AN ORDINANCE
AMENDING SECTION 776.02 OF THE CODIFIED
ORDINANCES OF ORANGE VILLAGE TO CORRESPOND
WITH CHAPTER 718 OF THE OHIO REVISED CODE,
REPEALING CERTAIN ORDINANCES, AND DECLARING
AN EMERGENCY.**

WHEREAS, this Council has previously revised and adopted a new income tax code for Orange Village, in order to make Village's ordinances consistent with state law; and

WHEREAS, House Bill 49, effective on September 29, 2017, changed certain requirements in Chapter 718 of the Revised Code, and the Council finds and determines that amending the tax code for Orange Village to be consistent with the Ohio Revised Code is in the best interests of the Village; and

WHEREAS, Orange Village is a party to the case of *Elyria v. State of Ohio*, Case No. 18 CV001591, and is seeking to challenge the constitutionality of certain provisions of House Bill 49 that the Village believes are unconstitutional; and

WHEREAS, the trial court in the *Elyria* case ruled against the plaintiffs' position; and

WHEREAS, it is the intention of Council not to waive any of the authority of the Village, but to continue to challenge the constitutionality of Ohio House Bill 49; and

WHEREAS, this ordinance is enacted in order to avoid the risk of having a taxpayer challenging the validity of the Orange Village income tax code based upon state law provisions that have gone into effect, but in the event that the offending provisions of Ohio House Bill 49 are ruled unconstitutional, the Village intends to continue to collect its own income tax pursuant to authority granted by the Ohio Constitution.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF ORANGE VILLAGE, CUYAHOGA COUNTY, STATE OF OHIO:

SECTION 1. That existing Chapter 776, Earned Income Tax Effective January 1, 2016, of the Codified Ordinances is hereby amended by the addition of a new section 776.27, as follows:

“776.27 NET PROFITS OPT-IN.

- (a) The Municipality hereby adopts and incorporates Sections 718.80 to 718.95 of the Ohio Revised Code for tax years beginning on or after January 1, 2018.
- (b) A taxpayer, as defined in division (c) of this section, may elect to be subject to Sections 718.80 to 718.95 of the Revised Code in lieu of the provisions of this Chapter.
- (c) ‘Taxpayer’ has the same meaning as in Section 718.01 of the Revised Code, except that ‘taxpayer’ does not include natural persons or entities subject to the tax imposed under

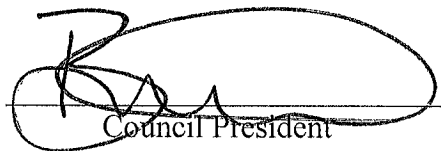
Chapter 5745 of the Revised Code. 'Taxpayer' may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer."

SECTION 2. That any ordinance in conflict with this ordinance is repealed.

SECTION 3. That actions of this Council concerning and relating to the passage of this legislation were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements including Chapter 105 of the Codified Ordinances of Orange Village.

SECTION 4. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the fair, stable, and efficient system of taxation in Orange Village and to comport the Village's ordinances with the Ohio Revised Code; wherefore, this Ordinance shall be in full force and effect from and after its adoption and approval by the Mayor.

PASSED: March 14, 2018



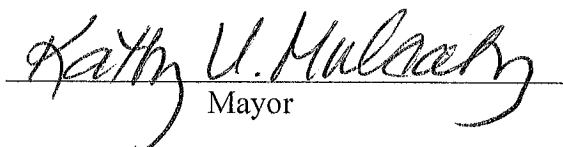
Council President

Submitted to the Mayor for approval on this 14 day of March, 2018

Approved by the Mayor this 14 day of March, 2018

ATTEST:


Clerk of Council



Mayor