

ORDINANCE NO. 13 - 38

AN ORDINANCE AMENDING SECTION 191.11 TAX CREDIT OF THE CODIFIED ORDINANCES OF THIS CITY BY INCREASING THE CREDIT TOWARDS THE ONTARIO INCOME TAX FOR INCOME TAX PAID TO ANOTHER MUNICIPALITY UP TO A MAXIMUM OF ONE PERCENT (1%) EFFECTIVE JANUARY 1, 2014 AND DECLARING AN EMERGENCY.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ONTARIO, STATE OF OHIO:

SECTION 1. THAT Section 191.11 TAX CREDIT of the Codified Ordinances of this City as enacted by Ordinance No. 10-26 adopted on June 17, 2010, which reads as follows:

191.11 TAX CREDIT

- (a) Residents Subject to Income Tax in Other Municipality. Every individual taxpayer who resides in the City of Ontario but receives net profits, salaries, wages, commissions, or other personal service compensation for work done or services performed or rendered outside of said City, if it be made to appear that he has paid a municipal income tax on such net profits, salary, wages, commission, or other compensation to another municipality, shall be allowed a credit on the tax imposed by this chapter equal to the amount of tax under a tax levy of one-half of one percent upon the compensation on which the tax was paid by him or on his behalf to such other municipality. The credit shall not exceed the tax assessed by this chapter on such net profit, salary, wages, commission, or compensation earned in such other municipality or municipalities where such income tax is paid.
- (b) Credit for Tax Paid by Pass-Through Entity to Another Municipality. Where a resident of this municipality receives income from a pass-through entity, the resident shall be entitled to a credit for municipal income tax paid by the entity to another municipality equal to the amount of tax under a tax levy of one-half of one percent upon the income on which the tax was paid equal to the resident owner's proportionate share of the tax paid to another municipality or the resident owner's proportionate share of the amount of tax that would be imposed on the pass-through entity by this municipality if the pass-through entity conducted business in this City.
- (c) The credit provided in this division shall be taken against the general one percent tax levied by Section 191.03 of the Codified Ordinances.

is hereby repealed effective January 1, 2014 and adopted as a revised Section 191.11 TAX CREDIT of the Codified Ordinances of this City effective January 1, 2014 is the following:

191.11 TAX CREDIT

- (a) Residents Subject to Income Tax in Other Municipality. Every individual taxpayer who resides in the City of Ontario but receives net profits, salaries, wages, commissions, or other personal service compensation for work done or services performed or rendered outside of said City, if it be made to appear that he/she has paid a municipal income tax on such net profits, salary, wages, commission, or other compensation to another municipality, shall be allowed a credit on the tax imposed by this chapter equal to the amount of tax under a tax levy not to exceed one percent (1%) upon the compensation on which the tax was paid by him/her or on his/her behalf to such other municipality. The credit shall not exceed the tax

assessed by this chapter on such net profit, salary, wages, commission, or compensation earned in such other municipality or municipalities where such income tax is paid.

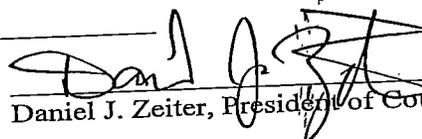
- (b) Credit for Tax Paid by Pass-Through Entity to Another Municipality. Where a resident of this municipality receives income from a pass-through entity, the resident shall be entitled to a credit for municipal income tax paid by the entity to another municipality equal to the amount of tax under a tax levy not to exceed one percent (1%) upon the income on which the tax was paid equal to the resident owner's proportionate share of the tax paid to another municipality or the resident owner's proportionate share of the amount of tax that would be imposed on the pass-through entity by this municipality if the pass-through entity conducted business in this City.
- (c) The credit provided in this division shall be taken against the general one percent tax levied by Section 191.03 of the Codified Ordinances.

SECTION 2. THAT the current Section 191.11 TAX CREDIT shall apply only to tax years 2010, 2011, 2012 and 2013 and the revised Section 191.11 shall apply to tax years 2014 and thereafter.

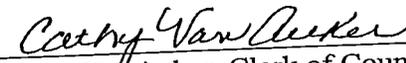
SECTION 3. THAT it is hereby determined that this Ordinance is an emergency measure necessary for the preservation of the public peace, health, safety and welfare of the residents of this City and for the further reason that the immediately effective date of this Ordinance is necessary so that it can be applied to the tax year 2014 and shall therefore go into immediate effect provided it receives a two-thirds (2/3) vote of all members elected to this Council, otherwise it shall go into effect in thirty (30) days if passed by a majority vote of Council.

DATE: December 19, 2013

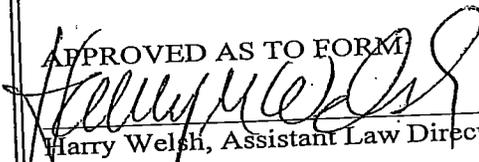
Ayes 4 Nays 3 Abstain _____


Daniel J. Zeiter, President of Council

ATTEST:


Cathy VanAuker, Clerk of Council

APPROVED AS TO FORM


Harry Welsh, Assistant Law Director

APPROVED:


Larry C. Collins, Mayor

12-26-13
Date

DISAPPROVED:

Objections: _____

Larry C. Collins, Mayor

Date