



Ohio Municipal League

Our Cities and Villages ★ Bringing Ohio to Life

Press Release FOR IMMEDIATE RELEASE

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Contact: Kent Scarrett

(614)221-4349 or 204-0287

Columbus, Ohio. Today before the House Ways and Means Committee, Ohio Municipal League Director of Communications Kent Scarrett delivered opponent testimony on subHB5, the proposed municipal income tax uniformity bill.

The league remains opposed to the recently unveiled version of the legislation that municipal officials from across the state have been working to fix, with the participation of Ways and Means Chairman Peter Beck, to get the legislation in a condition where intended or unintended consequences would not needlessly reduce the revenues of Ohio municipalities.

Scarrett shared with the committee that, starting well before the legislature adjourned for the summer recess in late June, the members of our coalition of municipal tax, finance and administrative officials were meeting with Chairman Beck to identify what areas of the bill there was support for, what areas we had reservations about, areas that we were opposed to and how we could attempt to try and work through the difficult parts to try and reach common ground with the bill's sponsors and proponents. When the legislature returned to their districts June 30th, the intensity of our meetings with the Chairman increased significantly. Meetings occurred twice sometimes three times a week, every week, with at least one of the weekly meetings running four to five hours long. Even though the municipal coalition was under the impression that a satisfactory outcome could be developed from issues that are objected to and financially detrimental to municipalities, the presented substitute language does not resolve these serious effects.

The OML testimony concluded with the observation that there can be no question that Ohio municipalities remain committed to advancing greater uniformity, predictability and simplicity in the current municipal income tax system. This commitment however, is not made in a vacuum, and there can be no denying that subHB5 changes current treatments that will have an immediate, negative financial impact on city and village budgets across Ohio. The members of the municipal coalition have dedicated countless hours to painstakingly work through all of the issues the MITRC presented as municipal tax policies that impede the state's economic development. Scarrett went on to say that municipalities remain committed to reaching common ground that will benefit all Ohio taxpayers but will not unfairly benefit or offer undeserved tax

relief to certain groups of filers. A good tax policy should be as transparent as possible and some of the changes made to the language in subHB5 are anything but transparent. The Ohio Municipal League believes municipalities have more than stepped up to the plate to be an honest partner in resolving differences that remain, offering new municipal tax treatments that will result in greater tax uniformity, predictability and simplicity while protecting the lifeblood of 592 communities that is the municipal income tax.