

RECORD OF ORDINANCES

GOVERNMENT FORMS & SUPPLIES 844-224-3338 FORM NO. 30043

2025-12

Ordinance No. _____

Passed 47, 2025

AN ORDINANCE AMENDING CHAPTER 882.07 ENTITLED "CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES" OF THE VERMILION CODIFIED ORDINANCES AND REESTABLISHING A FULL 1% CREDIT.

WHEREAS, the Home Rule Amendment of the Ohio Constitution, Article XVIII, Section 3, provides that "Municipalities shall have authority to exercise all powers of local self-government," and the municipal taxing power is one of such powers of local self-government delegated by the people of the State to the people of municipalities; and

WHEREAS, one half of one percent of income tax collected from residents who pay municipal income tax in other communities is estimated to produce about \$650,000 a year in revenue to the General Fund; and

WHEREAS, the General Fund will begin receiving in excess of \$700,000 a year more from the 2024 real estate property tax re-appraisals in Erie and Lorain Counties; and

NOW, THEREFORE BE IT ORDAINED by the Council of the City of Vermilion, Counties of Erie and Lorain, State of Ohio:

SECTION 1. That Chapter 882.07, "**CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.**" of the Codified Ordinances of the City of Vermilion be amended to read as set forth below:

CHAPTER 882.07 CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.

(A) Every individual taxpayer domiciled in the City who is required to and does pay, or has acknowledged liability for, a municipal tax to another municipality on or measured by the same income, qualifying wages, commissions, net profits or other compensation taxable under this Chapter, may claim a nonrefundable credit against the tax imposed by this Chapter upon satisfactory evidence that tax has been paid to another municipality. Subject to division (C) of this section, the credit shall not exceed 100% of the amount obtained by multiplying the income, qualifying wages, commissions, net profits or other compensation subject to tax in the other municipality by the LOWER of the tax rate in such other municipality OR the rate of 1%.

(B) The City shall grant a credit against its tax on income to a resident of the City who works in a joint economic development zone created under Section 715.691 or a joint economic development district created under Section 715.70, 715.71, or 715.72 of the ORC to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation.

(C) If the amount of tax withheld or paid to the other municipality is less than the amount of tax required to be withheld or paid to the other municipality, then for purposes of division (A) of this section, "the income, qualifying wages, commissions, net profits or other compensation" subject to tax in the other municipality shall be limited to the amount computed by dividing the tax withheld or paid to the other municipality by the tax rate for that municipality.

(D) Intentionally left blank.

SECTION 2. That this Ordinance, amended Chapter 882.07, "**CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.**," shall take effect and be in force from and after January 1, 2025, for tax years beginning on or after January 1, 2025. Chapter 882, "Income Tax," of the Codified Ordinances of the City of Vermilion as it existed prior to the effective date of this

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Passed 4-7, 2025

Ordinance shall remain in full force and effect through tax years beginning on or before December 31, 2024.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance 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 actions were in meetings open to the public and in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and general welfare of the City and its residents and for the further reason that it is necessary to meet the deadline imposed by H.B. 33 for the income tax changes to take effect. Wherefore, this Ordinance shall be in full force and effect immediately upon its adoption and approval by the mayor.

PASSED: 4/7, 2025

Steve Herron
Steve Herron, President of Council

ATTEST: 4-7, 2025

Gwen E. Fisher
Gwen E. Fisher, Certified Municipal Clerk

APPROVED: 4-8, 2025

Jim Forthofer
Jim Forthofer, Mayor

This legislation submitted and prepared by Drew Werley, Council Ward Three and modified to ordinance form by Gwen Fisher, Certified Municipal Clerk – February 27, 2025

I HEREBY CERTIFY THIS TO BE
A TRUE AND ACCURATE COPY.

Gwen E. Fisher
CLERK OF COUNCIL

4-8-2025

DATE