

AN ORDINANCE AMENDING CHAPTER 880 OF THE CODIFIED ORDINANCES OF THE CITY OF NEW CARLISLE DUE TO VOTER APPROVAL OF AN ADDITIONAL 1/2% INCOME TAX FOR POLICE EXPENSES.

WHEREAS, Chapter 880 addresses Earned Income Tax of the City; and

WHEREAS, the citizens of the City of New Carlisle approved a one-half percent (.5%) increase on Income tax for police expenses on May 5, 2015; and

WHEREAS, the current language of the Chapter is not amended to reflect the additional one-half percent (.5%) Income tax increase for police expenses; and

WHEREAS, the City desires to amend said Chapter to reflect the one-half percent (.5%) income tax increase for police expenses; and

NOW, THEREFORE, THE CITY OF NEW CARLISLE HEREBY ORDAINS that Chapter 880 of the Codified Ordinances of the City of New Carlisle be amended as follows:

880.04 – IMPOSITION AND RATE OF TAX; TAXABLE INCOME; CONSOLIDATED RETURNS.

(a) **Taxable Income.** Subject to Section 880.14, an annual *income* tax for the purposes specified in Section 880.01, is hereby imposed on and after January 1, 1999, at the rate of one percent per year, and an *income tax for police expenses*, is hereby imposed on and after July 1, 2015 through June 30, 2020, at an additional rate of one-half percent, for a total income tax of one and a half percent (1.5%), upon the following:

- (1) All salaries, wages, commissions and other compensation earned during the effective period of this chapter by residents of the Municipality;
- (2) All wages, salaries, commissions and other compensation earned during such effective period by nonresidents for work done or services performed or rendered in the Municipality;
- (3) The portion attributable to the Municipality of the net profits earned during such effective period of all resident unincorporated businesses, professions or other entities, such net profits derived from sales made, work done, services performed or rendered and business or other activities conducted in the Municipality;
- (4) The portion of the distributive share of the net profits earned during such effective period of a resident partner or owner of a nonresident unincorporated business entity not attributable to the Municipality and not levied against such unincorporated business entity by the Municipality;
- (5) The portion attributable to the Municipality of the net profits earned during such effective period of all nonresident unincorporated businesses, professions or other entities, such net profits derived from sales made, work done or services performed or rendered and business or other activities conducted in the Municipality, whether or not such unincorporated business entity has an office or place of business in the Municipality; and
- (6) The portion of the distributive share of the net profits earned during such effective period of a resident partner or owner of a nonresident unincorporated business entity not attributable to the Municipality and not levied against such unincorporated business entity by the Municipality; and
- (7) The portion attributable to the Municipality of the net profits earned during such effective period of all corporations, such net profits derived from sales made, work done, services performed or rendered and business or other activities conducted in the Municipality, whether or not such corporations have an office or place of business in the Municipality.

(b) Net Profits Attributable to the Municipality. The portion of the net profits attributable to the Municipality of a taxpayer conducting a business, profession or other activity both in and outside the Municipality shall be determined as provided in Ohio R.C. 718.02 and in accordance with the rules and regulations adopted by the Administrator pursuant to this chapter.

(c) Operating Loss Carry-Forward.

(1) The portion of a new operating loss sustained in any taxable year subsequent to July 1, 1979, allocable to the Municipality may be applied against the portion of the profit of succeeding years, allocable to the Municipality until exhausted but in no event for more than five taxable years. No portion of a net operating loss shall be carried back against the net profits of any prior year.

(2) The portion of a net operating loss sustained shall be allocated to the Municipality in the same manner as provided in this section for allocating net profits to the Municipality.

(3) The Administrator shall provide, by rules and regulations, the manner in which such net operating loss carry-forward shall be determined.

(d) Consolidated Returns.

(1) The filing of consolidated returns will be permitted, provided that a consolidated return is filed for the same tax period for Federal Income Tax purposes in accordance with rules and regulations prescribed by the Administrator.

(2) In the case of a corporation that carries on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates or some other method, or in case any person operates a division, branch, factory, office, laboratory or activity within the Municipality constituting a portion only of its total business, the Administrator shall require such additional information as he or she may deem necessary to ascertain whether or not net profits are properly allocated to the Municipality. If the Administrator finds that net profits are not properly allocated to the Municipality by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directorates or transactions with such division, branch, factory, office, laboratory or activity or by some other method, he or she shall make such allocation as he or she deems appropriate to produce a fair and proper allocation of net profits to the Municipality.

(e) Exceptions. The tax imposed by this chapter shall not be imposed upon the military pay or allowance of members of the Armed Forces of the United States or upon the net profits of any civic, charitable, religious, fraternal or other organization specified in Ohio R.C. 718.01 to the extent that such net profits are exempted from Municipal income taxes under such section.

Passed this 15th day of June, 2015.

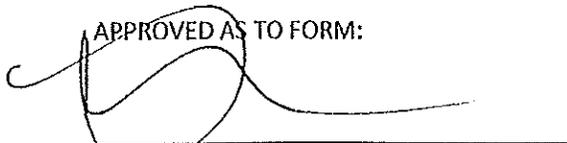


Lowell McGlothlin, MAYOR



Gene Collier, CLERK OF COUNCIL

APPROVED AS TO FORM:



Lynnette Dinkler, DIRECTOR OF LAW