

**VILLAGE OF YELLOW SPRINGS, OHIO
ORDINANCE 2023-10**

REPEALING AND REPLACING SECTION 881.06 “CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES” OF THE CODIFIED ORDINANCES OF THE VILLAGE OF YELLOW SPRINGS, OHIO TO CHANGE THE AMOUNT OF CREDIT GRANTED BY THE VILLAGE OF YELLOW SPRINGS FOR INCOME TAX PAID TO OTHER MUNICIPALITIES

WHEREAS, at the recommendation of the Village Manager and the Finance Director, Section 881.06 of the Codified Ordinances of the Village of Yellow Springs shall be amended to reduce the amount of credit given to taxpayers for income tax paid to other municipalities,

NOW, THEREFORE, COUNCIL FOR THE VILLAGE OF YELLOW SPRINGS, OHIO HEREBY ORDAINS THAT:

Section 1. Section 881.06 entitled “Credit for Tax Paid to Other Municipalities” of the Codified Ordinances of the Village of Yellow Springs, Ohio be repealed.

Section 2. A new Section 881.06 entitled “Credit for Tax Paid to Other Municipalities” of the Codified Ordinances of the Village of Yellow Springs, Ohio be enacted to read as follows with new language underlined and **bolded** and deleted language in ~~strike through~~ as show in the attached Exhibit A.

Section 3. This ordinance shall take effect and be in full force at the earliest date permitted by law, and will be applied to the tax year beginning January 1, 2023.

Brian Housh, President of Council

Passed: 3-20-2023

Attest: _____
Judy Kintner, Clerk of Council

ROLL CALL

Brian Housh Y Kevin Stokes Y Marianne MacQueen Y

Carmen Brown Y Gavin DeVore Leonard N

EXHIBIT A to ORDINANCE 2023-10

881.06 CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.

(a) Every individual taxpayer domiciled in the Village 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 of the tax paid to the other municipality. Subject to division (c) of this section, the credit shall not exceed **50% of the amount obtained by multiplying the income, qualifying wages, commissions, net profits of other compensation subject to tax in the other municipality by the LOWER of the tax rate in such other municipality OR the tax rate imposed** ~~the tax due the Village~~ under this chapter.

(b) The Village shall grant a credit against its tax on income to a resident of the Village who works in a joint economic development zone created under Ohio R.C. 715.691 or a joint economic development district created under Ohio R.C. 715.70, 715.71, or 715.72 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.