

**North Canton City Council Notice
Special Committee of the Whole Agenda
Monday, June 11, 2018 - 6:30 p.m.**

North Canton City Council will meet as a Committee of the Whole **Monday, June 11, 2018 at 6:30 p.m.** in Council chambers at North Canton City Hall.

Items to be discussed.

1. Finance and Property Committee

Chairperson: Stephanie Werren
Vice Chairperson: Marcia Kiesling
Mark Cerreta
Doug Foltz
Dominic Fonte
Daniel Peters
Daryl Revoldt

(a) An ordinance amending Chapter 192, Income tax, of the Codified Ordinances of the City of North Canton, to increase the rate of municipal income tax from 1.5 to 2.0 percent for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, providing additional training opportunities for safety forces, and to create a resource for future maintenance of the safety building, and declaring the same to be an emergency.

(a) A resolution directing the Board of Elections to place upon the ballot at the General Election to be held on November 6, 2018, the question of increasing the City of North Canton's rate of municipal income tax from 1.5% to 2.0% for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, providing additional training opportunities for safety forces, and to create a resource for future maintenance of the safety building, and declaring the same to be an emergency.

2. Adjourn.

Mary Beth Bailey
Clerk of Council

North Canton City Council
Finance and Property Committee

Ordinance No. - 2018

An ordinance amending Chapter 192, Income tax, of the Codified Ordinances of the City of North Canton, to increase the rate of municipal income tax from 1.5 to 2.0 percent for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, providing additional training opportunities for safety forces, and to create a resource for future maintenance of the safety building, and declaring the same to be an emergency.

WHEREAS, safety forces buildings and areas, i.e., Police, Fire/EMS, and Dispatch, are in need of costly repair and rehabilitation; and

WHEREAS, housing the City's safety forces in a single building will provide the opportunity to share common resources, which will ultimately result in a savings for our taxpayers; and

WHEREAS, additional Fire/EMS staffing is necessary to reduce the cost of supplemental staffing of full-time employees;

WHEREAS, increases in technology in safety services require our safety forces to increase training resources so that they may provide our residents, business, and guests with quicker response times and utilization of advanced, life-saving technology.

WHEREAS, to proactively resolve the issues of maintenance and repair of our safety forces' buildings, as well as funding an increase in Fire/EMS staffing, and to increase our safety forces' ability to utilize advanced, life-saving technology, a modest increase of municipal income tax, with a 10-year sunset provision is recommended.

WHEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO:

- Section 1. That this City Council recognizes the recognizes the need to proactively resolve the issues of maintenance and repair of our safety forces' buildings, as well as funding an increase in Fire/EMS staffing, and to increase our safety forces' ability to utilize advanced, life-saving technology.
- Section 2. That a modest increase of municipal income tax, with a 10-year sunset provision is recommended to fund the above-mentioned goals.
- Section 3. That subject to the approval of the electors of the City of North Canton, Ohio, as provided in Section 718.01 of the Ohio Revised Code, Sections 192.01(B), 192.03, 192.04(A) of Chapter 192, Income Tax, be, and are hereby amended to provide an increase in the tax levied on income from 1½% to 2.0%, such sections are amended to read as provided in Exhibit A, attached hereto and incorporated herein.

Section 4: That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety, and peace of the City of North Canton and further necessary that its immediate effectiveness is necessary to place this issue on the ballot at the general election to be held on November 6, 2018, and further to timely resolve the issues of maintenance and repair of our safety forces' buildings, timely resolve the need for funding an increase in Fire/EMS staffing, and to timely increase our safety forces' ability to utilize advanced, life-saving technology; wherefore, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor.

Passed in Council this _____ day of _____ 2018

David Held, Mayor

Signed: _____, 2018

ATTEST:

Mary Beth Bailey, Clerk of Council

192.01 AUTHORITY TO LEVY TAX; PURPOSE OF TAX.

(A) To provide funds for the purposes of general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements, North Canton hereby levies an annual municipal income tax on income, qualifying wages, commissions and other compensation, and on net profits as hereinafter provided.

(B) The annual tax is levied at a rate of ~~2.0%~~ ~~4.5%~~. *Beginning January 1, 2028, however, the income tax levied by North Canton shall be at a rate 1.5%.* The tax is levied at a uniform rate on all persons residing in or earning or receiving income in North Canton. The tax is levied on income, qualifying wages, commissions and other compensation, and on net profits as hereinafter provided in Section 192.03 of this Ordinance and other sections as they may apply.

(C) The first one percent so imposed shall be disbursed in the following order, to wit:

(1) Such part thereof as shall be necessary to defray all costs of collection, administration and enforcement of the entire tax imposed by this Ordinance.

(2) The balance of the one percent shall be allocated as follows: three-tenths to the Capital Improvement Fund and seven-tenths for general operating purposes, for uses, in each case, as determined by Council.

(3) The next one-half percent so imposed shall be allocated for general municipal operations and capital improvements in amounts and for uses, in each case, as determined by Council.

(4) The final one-half percent so imposed shall be used for safety purposes, including the construction, debt costs, and ongoing maintenance of a safety center facility.

(D) The tax on income and the withholding tax established by this Chapter 192 are authorized by Article XVIII, Section 3 of the Ohio Constitution. The tax is levied in accordance with, and is intended to be consistent with, the provisions and limitations of Ohio Revised Code 718 (ORC 718). This Chapter is effective for tax years beginning on and after January 1, 2016. Municipal taxable years beginning on or before December 31, 2015, are subject to the income tax ordinance and amendments thereto, and rules and regulations and amendments thereto, as they existed before January 1, 2016.

SECTION 192.03 IMPOSITION OF TAX.

For the period beginning January 1, 2019, and ending December 31, 2028, the income tax levied by North Canton shall be at a rate of *two percent (2.0%)* ~~one and one-half percent (1.5%)~~ and is levied on the Municipal Taxable Income of every person residing in

and/or earning and/or receiving income in North Canton. *Beginning January 1, 2028, however, the income tax levied by North Canton shall be at a rate of one and one-half percent (1.5%) and shall be levied on the Municipal Taxable Income of every person residing in and/or earning and/or receiving income in North Canton.*

Individuals.

(A) For residents of North Canton, the income tax levied herein shall be on all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the resident, including the resident's distributive share of the net profit of pass-through entities owned directly or indirectly by the resident and any net profit of the resident. This is further detailed in the definition of income (Section 192.02 (C)(16)).

(B) For nonresidents, all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the nonresident for work done, services performed or rendered, or activities conducted in the municipal corporation, including any net profit of the nonresident, but excluding the nonresident's distributive share of the net profit or loss of only pass-through entities owned directly or indirectly by the nonresident.

(C) For residents and nonresidents, income can be reduced to "Municipal Taxable Income" as defined in Section 192.02 (C)(21). Exemptions which may apply are specified in Section 192.02 (C)(12).

Refundable credit for Nonqualified Deferred Compensation Plan.

(D)(1) As used in this division:

(a) "Nonqualified deferred compensation plan" means a compensation plan described in Section 3121(v)(2)(C) of the Internal Revenue Code.

(b) "Qualifying loss" means the amount of compensation attributable to a taxpayer's nonqualified deferred compensation plan, less the receipt of money and property attributable to distributions from the nonqualified deferred compensation plan. Full loss is sustained if no distribution of money and property is made by the nonqualified deferred compensation plan. The taxpayer sustains a qualifying loss only in the taxable year in which the taxpayer receives the final distribution of money and property pursuant to that nonqualified deferred compensation plan.

(c)(i) "Qualifying tax rate" means the applicable tax rate for the taxable year for the which the taxpayer paid income tax to North Canton with respect to any portion of the total amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan.

(ii) If different tax rates applied for different taxable years, then the "qualifying tax rate" is a weighted average of those different tax rates. The weighted average shall be

based upon the tax paid to North Canton each year with respect to the nonqualified deferred compensation plan.

(d) "Refundable credit" means the amount of North Canton income tax that was paid on the non-distributed portion, if any, of a nonqualified deferred compensation plan.

(2) If, in addition to North Canton, a taxpayer has paid tax to other municipal corporations with respect to the nonqualified deferred compensation plan, the amount of the credit that a taxpayer may claim from each municipal corporation shall be calculated on the basis of each municipal corporation's proportionate share of the total municipal corporation income tax paid by the taxpayer to all municipal corporations with respect to the nonqualified deferred compensation plan.

(3) In no case shall the amount of the credit allowed under this section exceed the cumulative income tax that a taxpayer has paid to North Canton for all taxable years with respect to the nonqualified deferred compensation plan.

(4) The credit allowed under this division is allowed only to the extent the taxpayer's qualifying loss is attributable to:

(a) The insolvency or bankruptcy of the employer who had established the nonqualified deferred compensation plan; or

(b) The employee's failure or inability to satisfy all of the employer's terms and conditions necessary to receive the nonqualified deferred compensation.

Domicile.

(E)(1)(a) An individual is presumed to be domiciled in North Canton for all or part of a taxable year if the individual was domiciled in North Canton on the last day of the immediately preceding taxable year or if the Tax Administrator reasonably concludes that the individual is domiciled in North Canton for all or part of the taxable year.

(b) An individual may rebut the presumption of domicile described in division (E)(1)(a) of this section if the individual establishes by a preponderance of the evidence that the individual was not domiciled in North Canton for all or part of the taxable year.

(2) For the purpose of determining whether an individual is domiciled in North Canton for all or part of a taxable year, factors that may be considered include, but are not limited to, the following:

(a) The individual's domicile in other taxable years;

(b) The location at which the individual is registered to vote;

(c) The address on the individual's driver's license;

(d) The location of real estate for which the individual claimed a property tax exemption or reduction allowed on the basis of the individual's residence or domicile;

(e) The location and value of abodes owned or leased by the individual;

(f) Declarations, written or oral, made by the individual regarding the individual's residency;

(g) The primary location at which the individual is employed.

(h) The location of educational institutions attended by the individual's dependents as defined in Section 152 of the Internal Revenue Code, to the extent that tuition paid to such educational institution is based on the residency of the individual or the individual's spouse in the municipal corporation where the educational institution is located;

(i) The number of contact periods the individual has with North Canton. For the purposes of this division, an individual has one "contact period" with North Canton if the individual is away overnight from the individual's abode located outside of North Canton and while away overnight from that abode spends at least some portion, however minimal, of each of two consecutive days in North Canton.

(3) All additional applicable factors are provided in the Rules and Regulations.

Businesses.

(F) This division applies to any taxpayer engaged in a business or profession in North Canton, unless the taxpayer is an individual who resides in North Canton or the taxpayer is an electric company, combined company, or telephone company that is subject to and required to file reports under Chapter 5745. of the ORC.

(1) Except as otherwise provided in division (F)(2) of this section, net profit from a business or profession conducted both within and without the boundaries of North Canton shall be considered as having a taxable situs in North Canton for purposes of municipal income taxation in the same proportion as the average ratio of the following:

(a) The average original cost of the real property and tangible personal property owned or used by the taxpayer in the business or profession in North Canton during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated.

As used in the preceding paragraph, tangible personal or real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight;

(b) Wages, salaries, and other compensation paid during the taxable period to individuals employed in the business or profession for services performed in North Canton to wages, salaries, and other compensation paid during the same period to individuals employed in the business or profession, wherever the individual's services are performed, excluding compensation from which taxes are not required to be withheld under Section 192.04 (C);

(c) Total gross receipts of the business or profession from sales and rentals made and services performed during the taxable period in North Canton to total gross receipts of the business or profession during the same period from sales, rentals, and services, wherever made or performed.

(2)(a) If the apportionment factors described in division (F)(1) of this section do not fairly represent the extent of a taxpayer's business activity in North Canton, the taxpayer may request, or the Tax Administrator of North Canton may require, that the taxpayer use, with respect to all or any portion of the income of the taxpayer, an alternative apportionment method involving one or more of the following:

(i) Separate accounting;

(ii) The exclusion of one or more of the factors;

(iii) The inclusion of one or more additional factors that would provide for a more fair apportionment of the income of the taxpayer to the municipal corporation;

(iv) A modification of one or more of the factors.

(b) A taxpayer request to use an alternative apportionment method shall be in writing and shall accompany a tax return, timely filed appeal of an assessment, or timely filed amended tax return. The taxpayer may use the requested alternative method unless the Tax Administrator denies the request in an assessment issued within the period prescribed by Section 192.12 (A).

(c) The Tax Administrator may require a taxpayer to use an alternative apportionment method as described in division (F)(2)(a) of this section, but only by issuing an assessment to the taxpayer within the period prescribed by Section 192.12 (A).

(d) Nothing in division (F)(2) of this section nullifies or otherwise affects any alternative apportionment arrangement approved by the Tax Administrator or otherwise agreed upon by both the Tax Administrator and taxpayer before January 1, 2016.

(3) As used in division (F)(1)(b) of this section, "wages, salaries, and other compensation" includes only wages, salaries, or other compensation paid to an employee for services performed at any of the following locations:

(a) A location that is owned, controlled, or used by, rented to, or under the possession of one of the following:

(i) The employer;

(ii) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;

(iii) A vendor, customer, client, or patient of a person described in (F)(3)(a)(ii) of this section, or a related member of such a vendor, customer, client, or patient.

(b) Any location at which a trial, appeal, hearing, investigation, inquiry, review, court-martial, or similar administrative, judicial, or legislative matter or proceeding is being conducted, provided that the compensation is paid for services performed for, or on behalf of, the employer or that the employee's presence at the location directly or indirectly benefits the employer;

(c) Any other location, if the Tax Administrator determines that the employer directed the employee to perform the services at the other location in lieu of a location described in division (F) (3)(a) or (b) of this section solely in order to avoid or reduce the employer's municipal income tax liability. If the Tax Administrator makes such a determination, the employer may dispute the determination by establishing, by a preponderance of the evidence, that the Tax Administrator's determination was unreasonable.

(4) For the purposes of division (F)(1)(c) of this section, receipts from sales and rentals made and services performed shall be situated to a municipal corporation as follows:

(a) Gross receipts from the sale of tangible personal property shall be situated to the municipal corporation only if, regardless of where title passes, the property meets either of the following criteria:

(i) The property is shipped to or delivered within North Canton from a stock of goods located within North Canton.

(ii) The property is delivered within North Canton from a location outside North Canton, provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within North Canton and the sales result from such solicitation or promotion.

(b) Gross receipts from the sale of services shall be situated to North Canton to the extent that such services are performed in North Canton.

(c) To the extent included in income, gross receipts from the sale of real property located in North Canton shall be situated to North Canton.

(d) To the extent included in income, gross receipts from rents and royalties from real property located in North Canton shall be situated to North Canton.

(e) Gross receipts from rents and royalties from tangible personal property shall be situated to North Canton based upon the extent to which the tangible personal property is used in North Canton.

(5) The net profit received by an individual taxpayer from the rental of real estate owned directly by the individual, or by a disregarded entity owned by the individual, shall be subject to North Canton's tax only if the property generating the net profit is located in North Canton or if the individual taxpayer that receives the net profit is a resident of North Canton. North Canton shall allow such taxpayers to elect to use separate accounting for the purpose of calculating net profit situated under this division to the municipal corporation in which the property is located.

(6)(a) Commissions received by a real estate agent or broker relating to the sale, purchase, or lease of real estate shall be situated to the municipal corporation in which the real estate is located. Net profit reported by the real estate agent or broker shall be allocated to North Canton, if applicable, based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in North Canton to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.

(b) An individual who is a resident of North Canton shall report the individual's net profit from all real estate activity on the individual's annual tax return for North Canton. The individual may claim a credit for taxes the individual paid on such net profit to another municipal corporation to the extent that such a credit is allowed under North Canton's income tax ordinance.

(7) When calculating the ratios described in division (F)(1) of this section for the purposes of that division or division (F)(2) of this section, the owner of a disregarded entity shall include in the owner's ratios the property, payroll, and gross receipts of such disregarded entity.

(8) Left intentionally blank.

(9) Intentionally left blank.

SECTION 192.04 COLLECTION AT SOURCE.

Withholding provisions.

(A) Each employer, agent of an employer, or other payer located or doing business in North Canton shall withhold an income tax from the qualifying wages earned and/or received by each employee in North Canton. Except for qualifying wages for which withholding is not required under Section 192.03 or division (B)(4) or (6) of this section,

the tax shall be withheld at the rate, specified in Section 192.01(B) of this ordinance, of ~~2.0%~~ ~~4.5%~~. *Beginning January 1, 2028, however, the tax shall be withheld at a rate of 1.5%.* An employer, agent of an employer, or other payer shall deduct and withhold the tax from qualifying wages on the date that the employer, agent, or other payer directly, indirectly, or constructively pays the qualifying wages to, or credits the qualifying wages to the benefit of, the employee.

(B)(1) Except as provided in division (B)(2) of this section, an employer, agent of an employer, or other payer shall remit to the Tax Administrator of North Canton the greater of the income taxes deducted and withheld or the income taxes required to be deducted and withheld by the employer, agent, or other payer according to the following schedule:

(a) Taxes required to be deducted and withheld shall be remitted monthly to the Tax Administrator if the total taxes deducted and withheld or required to be deducted and withheld by the employer, agent, or other payer on behalf of North Canton in the preceding calendar year exceeded \$2,399, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of North Canton in any month of the preceding calendar quarter exceeded \$200.

Payment under division (B)(1)(a) of this section shall be made to the Tax Administrator not later than 15 days after the last day of each month for which the tax was withheld.

(b) Any employer, agent of an employer, or other payer not required to make payments under division (B)(1)(a) of this section of taxes required to be deducted and withheld shall make quarterly payments to the Tax Administrator not later than the last day of the month following the last day of each calendar quarter.

(c) Intentionally left blank.

(2) If the employer, agent of an employer, or other payer is required to make payments electronically for the purpose of paying federal taxes withheld on payments to employees under Section 6302 of the Internal Revenue Code, 26 C.F.R. 31.6302-1, or any other federal statute or regulation, the payment shall be made by electronic funds transfer to the Tax Administrator of all taxes deducted and withheld on behalf of North Canton. The payment of tax by electronic funds transfer under this division does not affect an employer's, agent's, or other payer's obligation to file any return as required under this section.

(3) An employer, agent of an employer, or other payer shall make and file a return showing the amount of tax withheld by the employer, agent, or other payer from the qualifying wages of each employee and remitted to the Tax Administrator. A return filed by an employer, agent, or other payer under this division shall be accepted by Tax Administrator and North Canton as the return required of an non-resident employee

whose sole income subject to the tax under this ordinance is the qualifying wages reported by the employee's employer, agent of an employer, or other payer.

(4) An employer, agent of an employer, or other payer is not required to withhold North Canton income tax with respect to an individual's disqualifying disposition of an incentive stock option if, at the time of the disqualifying disposition, the individual is not an employee of either the corporation with respect to whose stock the option has been issued or of such corporation's successor entity.

(5)(a) An employee is not relieved from liability for a tax by the failure of the employer, agent of an employer, or other payer to withhold the tax as required under this ordinance or by the employer's, agent's, or other payer's exemption from the requirement to withhold the tax.

(b) The failure of an employer, agent of an employer, or other payer to remit to North Canton the tax withheld relieves the employee from liability for that tax unless the employee colluded with the employer, agent, or other payer in connection with the failure to remit the tax withheld.

(6) Compensation deferred before June 26, 2003, is not subject to North Canton income tax or income tax withholding requirement to the extent the deferred compensation does not constitute qualifying wages at the time the deferred compensation is paid or distributed.

(7) Each employer, agent of an employer, or other payer required to withhold taxes is liable for the payment of that amount required to be withheld, whether or not such taxes have been withheld, and such amount shall be deemed to be held in trust for North Canton until such time as the withheld amount is remitted to the Tax Administrator.

(8) On or before the last day of February of each year, an employer shall file a withholding reconciliation return with the Tax Administrator listing:

(a) The names, addresses, and social security numbers of all employees from whose qualifying wages tax was withheld or should have been withheld for North Canton during the preceding calendar year;

(b) The amount of tax withheld, if any, from each such employee, the total amount of qualifying wages paid to such employee during the preceding calendar year;

(c) The name of every other municipal corporation for which tax was withheld or should have been withheld from such employee during the preceding calendar year;

(d) Any other information required for federal income tax reporting purposes on Internal Revenue Service form W-2 or its equivalent form with respect to such employee;

(e) Other information as may be required by the Tax Administrator.

(9) The officer or the employee of the employer, agent of an employer, or other payer with control or direct supervision of or charged with the responsibility for withholding the tax or filing the reports and making payments as required by this section, shall be personally liable for a failure to file a report or pay the tax due as required by this section. The dissolution of an employer, agent of an employer, or other payer does not discharge the officer's or employee's liability for a failure of the employer, agent of an employer, or other payer to file returns or pay any tax due.

(10) An employer is required to deduct and withhold North Canton income tax on tips and gratuities received by the employer's employees and constituting qualifying wages, but only to the extent that the tips and gratuities are under the employer's control. For the purposes of this division, a tip or gratuity is under the employer's control if the tip or gratuity is paid by the customer to the employer for subsequent remittance to the employee, or if the customer pays the tip or gratuity by credit card, debit card, or other electronic means.

(11) The Tax Administrator shall consider any tax withheld by an employer at the request of an employee, when such tax is not otherwise required to be withheld by this ordinance, to be tax required to be withheld and remitted for the purposes of this section

Occasional Entrant - Withholding.

(C)(1) As used in this division:

(a) "Employer" includes a person that is a related member to or of an employer.

(b) "Fixed location" means a permanent place of doing business in this state, such as an office, warehouse, storefront, or similar location owned or controlled by an employer.

(c) "Principal place of work" means the fixed location to which an employee is required to report for employment duties on a regular and ordinary basis. If the employee is not required to report for employment duties on a regular and ordinary basis to a fixed location, "principal place of work" means the worksite location in this state to which the employee is required to report for employment duties on a regular and ordinary basis. If the employee is not required to report for employment duties on a regular and ordinary basis to a fixed location or worksite location, "principal place of work" means the location in this state at which the employee spends the greatest number of days in a calendar year performing services for or on behalf of the employee's employer.

If there is not a single municipal corporation in which the employee spent the "greatest number of days in a calendar year" performing services for or on behalf of the employer,

but instead there are two or more municipal corporations in which the employee spent an identical number of days that is greater than the number of days the employee spent in any other municipal corporation, the employer shall allocate any of the employee's qualifying wages subject to division (C)(2)(a)(i) of this section among those two or more municipal corporations. The allocation shall be made using any fair and reasonable method, including, but not limited to, an equal allocation among such municipal corporations or an allocation based upon the time spent or sales made by the employee in each such municipal corporation. A municipal corporation to which qualifying wages are allocated under this division shall be the employee's "principal place of work" with respect to those qualifying wages for the purposes of this section.

For the purposes of this division, the location at which an employee spends a particular day shall be determined in accordance with division (C)(2)(b) of this section, except that "location" shall be substituted for "municipal corporation" wherever "municipal corporation" appears in that division.

(d) "Professional athlete" means an athlete who performs services in a professional athletic event for wages or other remuneration.

(e) "Professional entertainer" means a person who performs services in the professional performing arts for wages or other remuneration on a per-event basis.

(f) "Public figure" means a person of prominence who performs services at discrete events, such as speeches, public appearances, or similar events, for wages or other remuneration on a per-event basis.

(g) "Worksite location" means a construction site or other temporary worksite in this state at which the employer provides services for more than 20 days during the calendar year. "Worksite location" does not include the home of an employee.

(2)(a) Subject to divisions (C)(3), (5), (6), and (7) of this section, an employer is not required to withhold North Canton income tax on qualifying wages paid to an employee for the performance of personal services in North Canton if the employee performed such services in North Canton on 20 or fewer days in a calendar year, unless one of the following conditions applies:

(i) The employee's principal place of work is located in North Canton.

(ii) The employee performed services at one or more presumed worksite locations in North Canton. For the purposes of this division, "presumed worksite location" means a construction site or other temporary worksite in North Canton at which the employer provides or provided services that can reasonably be, or would have been, expected by the employer to last more than 20 days in a calendar year. Services can "reasonably be

expected by the employer to last more than 20 days" if either of the following applies at the time the services commence:

(a) The nature of the services are such that it will require more than 20 days of the services to complete the services;

(b) The agreement between the employer and its customer to perform services at a location requires the employer to perform the services at the location for more than 20 days.

(iii) The employee is a resident of North Canton and has requested that the employer withhold tax from the employee's qualifying wages as provided in Section 192.04.

(iv) The employee is a professional athlete, professional entertainer, or public figure, and the qualifying wages are paid for the performance of services in the employee's capacity as a professional athlete, professional entertainer, or public figure.

(b) For the purposes of division (C)(2)(a) of this section, an employee shall be considered to have spent a day performing services in North Canton only if the employee spent more time performing services for or on behalf of the employer in North Canton than in any other municipal corporation on that day. For the purposes of determining the amount of time an employee spent in a particular location, the time spent performing one or more of the following activities shall be considered to have been spent at the employee's principal place of work:

(i) Traveling to the location at which the employee will first perform services for the employer for the day;

(ii) Traveling from a location at which the employee was performing services for the employer to any other location;

(iii) Traveling from any location to another location in order to pick up or load, for the purpose of transportation or delivery, property that has been purchased, sold, assembled, fabricated, repaired, refurbished, processed, remanufactured, or improved by the employee's employer;

(iv) Transporting or delivering property described in division (C)(2)(b)(iii) of this section, provided that, upon delivery of the property, the employee does not temporarily or permanently affix the property to real estate owned, used, or controlled by a person other than the employee's employer;

(v) Traveling from the location at which the employee makes the employee's final delivery or pick-up for the day to either the employee's principal place of work or a location at which the employee will not perform services for the employer.

(3) If the principal place of work of an employee is located in another Ohio municipal corporation that imposes an income tax, the exception from withholding requirements described in division (C)(2)(a) of this section shall apply only if, with respect to the employee's qualifying wages described in that division, the employer withholds and remits tax on such qualifying wages to that municipal corporation.

(4)(a) Except as provided in division (C)(4)(b) of this section, if, during a calendar year, the number of days an employee spends performing personal services in North Canton exceeds the 20-day threshold, the employer shall withhold and remit tax to North Canton for any subsequent days in that calendar year on which the employer pays qualifying wages to the employee for personal services performed in North Canton.

(b) An employer required to begin withholding tax for North Canton under division (C)(4)(a) of this section may elect to withhold tax for North Canton for the first 20 days on which the employer paid qualifying wages to the employee for personal services performed in North Canton.

(5) If an employer's fixed location is North Canton and the employer qualifies as a small employer as defined in Section 192.02, the employer shall withhold municipal income tax on all of the employee's qualifying wages for a taxable year and remit that tax only to North Canton, regardless of the number of days which the employee worked outside the corporate boundaries of North Canton.

To determine whether an employer qualifies as a small employer for a taxable year, a the employer will be required to provide the Tax Administrator with the employer's federal income tax return for the preceding taxable year.

(6) Divisions (C)(2)(a) and (4) of this section shall not apply to the extent that the Tax Administrator and an employer enter into an agreement regarding the manner in which the employer shall comply with the requirements of Section 192.04.

North Canton City Council
Finance and Property Committee

Resolution No. - 2018

A resolution directing the Board of Elections to place upon the ballot at the General Election to be held on November 6, 2018, the question of increasing the City of North Canton's rate of municipal income tax from 1.5% to 2.0% for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, providing additional training opportunities for safety forces, and to create a resource for future maintenance of the safety building, and declaring the same to be an emergency.

WHEREAS, safety forces buildings and areas, i.e., Police, Fire/EMS, and Dispatch, are in need of costly repair and rehabilitation; and

WHEREAS, housing the City's safety forces in a single building will provide the opportunity to share common resources, which will ultimately result in a savings for our taxpayers; and

WHEREAS, additional Fire/EMS staffing is necessary to reduce the cost of supplemental staffing of full-time employees;

WHEREAS, increases in technology in safety services require our safety forces to increase training resources so that they may provide our residents, business, and guests with quicker response times and utilization of advanced, life-saving technology.

WHEREAS, to proactively resolve the issues of maintenance and repair of our safety forces' buildings, as well as funding an increase in Fire/EMS staffing, and to increase our safety forces' ability to utilize advanced, life-saving technology, a modest increase of municipal income tax, with a 10-year sunset provision is recommended.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO:

Section 1. That the Board of Elections of Stark County, be, and it is hereby requested and directed to place upon the ballot at the general election to be held on November 6, 2018, the question of whether the attached Ordinance No. – 2018, increasing the City of North Canton's rate of income tax from 1.5% to 2.0% for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, and providing additional training opportunities for safety forces, shall be passed.

Section 2. That the Clerk of Council, be, and is hereby directed to file this resolution together with a certified copy of Ordinance No. - 2018 with the Board of Elections no later than August 8, 2018.

Section 3. That the following ballot language be and is hereby certified to the Stark County Board of Elections for consideration at the general election to be held on November 6, 2018:

Ballot Form
Proposed Amendment to
The City of North Canton Income Tax Ordinance
(A Majority Vote is Necessary for Adoption)

Shall an increase in the municipal income tax for the City of North Canton, from 1.5% to 2.0% for a period of 10 years, January 1, 2019 until December 31, 2028, for the purpose of providing additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, supporting Fire/EMS staffing, and providing additional training opportunities for safety forces, be passed?

	For the Increased Income Tax
	Against the Increased Income Tax

Section 2. That this resolution is hereby declared to be an emergency measure necessary for the preservation of the health, safety, and peace of the City of North Canton, to timely place this issue on the ballot at the general election held on November 6, 2018, and further necessary to timely provide additional safety funding for construction of a new safety building to house Police, Dispatch, and Fire/EMS operations, timely supporting additional Fire/EMS staffing, and timely providing additional training opportunities for safety forces; wherefore, this resolution shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor.

Passed in Council this _____ day of _____ 2018

David Held, Mayor

Signed: _____, 2018

ATTEST:

Mary Beth Bailey, Clerk of Council