

RESOLUTION NO. 13 - 11

By: Ben Kessler

**A Resolution In Opposition to the State of Ohio's
Proposed Elimination of the Ohio Estate Tax
Without Alternative Funding Solutions**

- WHEREAS,** The draft State of Ohio biennial budget calls for the elimination of the State of Ohio estate tax on January 1, 2013; and
- WHEREAS,** The City of Bexley receives more than 15% of its annual income from the Ohio Estate Tax; and
- WHEREAS,** The State of Ohio is concurrently making drastic cuts to local government funds, which, in conjunction with the loss of the Estate Tax would reduce revenue to the City of Bexley by more than 25%, a percentage that vastly exceeds the shortfall being experienced by the State of Ohio; and
- WHEREAS,** Our community is already struggling to recover from the worst economic downturn since the Great Depression; and
- WHEREAS,** Even prior to these cuts, the City of Bexley operates with one of the lower general fund budgets, per capita, in central Ohio; and
- WHEREAS,** State of Ohio policy changes that result in a loss of income of this magnitude force the City of Bexley to severely cut back on essential city services and/or raise taxes, and are therefore no different than the State of Ohio instituting a tax increase at the local level; and
- WHEREAS,** State lawmakers are in the process of instituting these extraordinary cuts without providing localities with any meaningful tools to deal with the shortfalls short of cutting services or instituting a tax increase;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BEXLEY, OHIO:

- Section 1.** This Council hereby resolves against the elimination of the Ohio Estate Tax as is currently being proposed, wherein no meaningful alternative tools are being provided to assist municipalities in dealing with the income shortfalls that will result from the loss of this revenue source.

Section 2.

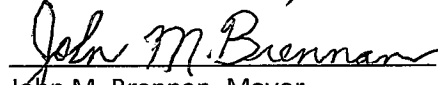
This council strongly urges State of Ohio lawmakers to adopt one or more of the following actions:

- Maintain the Ohio Estate Tax as it is currently;
- Adjust the Ohio Estate Tax threshold so as to be less likely to impact smaller estates while still providing benefit to communities who rely in part on this revenue source;
- Provide local municipalities who benefit from the Estate Tax, and who, like Bexley, also have smaller commercial property bases and therefore a lower capacity to fund their budgets via payroll taxes, with alternative tools and/or revenue equalization measures to compensate for the loss of this revenue source.

Passed: June 14, 2011

Attest: 
Clerk of Council


Jeffrey McClelland, President of Council

Approved: June 14, 2011

John M. Brennan, Mayor

First Reading 6-14-11
Suspended
Passed 6-14-11