



## Ohio Revised Code

### Section 718.10 Election on tax levy dividing revenue between group of municipal corporations and school district.

Effective: March 23, 2015

Legislation: House Bill 5 - 130th General Assembly

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(A) This section applies to a group of two or more municipal corporations that, taken together, share the same territory as a single city, local, or exempted village school district, to the extent that not more than five per cent of the territory of the municipal corporations as a group is located outside the school district and not more than five per cent of the territory of the school district is located outside the municipal corporations as a group.

(B) The legislative authorities of the municipal corporations in a group of municipal corporations to which this section applies each may propose to the electors an income tax, to be levied in concert with income taxes in the other municipal corporations of the group, except that a legislative authority may not propose to levy the income tax on the incomes of individuals who do not reside in the municipal corporation. One of the purposes of such a tax shall be to provide financial assistance to the school district through payment to the district of not less than twenty-five per cent of the revenue generated by the tax. Prior to proposing the taxes, the legislative authorities shall negotiate and enter into a written agreement with each other and with the board of education of the school district specifying the tax rate, the percentage of the tax revenue to be paid to the school district, the first year the tax will be levied, which shall be the first year after the year in which the levy is approved or any later year, and the date of the election on the question of the tax, all of which shall be the same for each municipal corporation. The agreement also shall state the purpose for which the school district will use the money, and specify the method and schedule by which each municipal corporation will make payments to the school district. The special election shall be held on a day specified in division (D) of section 3501.01 of the Revised Code, including a day on which all of the municipal corporations are to have a primary election.

After the legislative authorities and board of education have entered into the agreement, each legislative authority shall provide for levying its tax by ordinance. Each ordinance shall include the provisions described in division (A) of section 718.04 of the Revised Code and shall state the rate of the tax, the percentage of tax revenue to be paid to the school district, the purpose for which the



municipal corporation will use its share of the tax revenue, and the first year the tax will be levied. Each ordinance also shall state that the question of the income tax will be submitted to the electors of the municipal corporation on the same date as the submission of questions of an identical tax to the electors of each of the other municipal corporations in the group, and that unless the electors of all of the municipal corporations in the group approve the tax in their respective municipal corporations, none of the municipal corporations in the group shall levy the tax. Each legislative authority also shall adopt a resolution specifying the regular or special election date the election will be held and directing the board of elections to conduct the election. At least ninety days before the date of the election, each legislative authority shall file certified copies of the ordinance and resolution with the board of elections.

(C) For each of the municipal corporations, the board of elections shall make the necessary arrangements for the submission of the question to the electors, and shall conduct the election in the same manner as any other municipal income tax election. For each of the municipal corporations, notice of the election shall be published in a newspaper of general circulation in the municipal corporation once a week for four consecutive weeks, or as provided in section 7.16 of the Revised Code, prior to the election. The notice shall include a statement of the rate and municipal corporation and school district purposes of the income tax, the percentage of tax revenue that will be paid to the school district, and the first year the tax will be levied, and an explanation that the tax will not be levied unless an identical tax is approved by the electors of each of the other municipal corporations in the group. The ballot shall be in the following form:

"Shall the ordinance providing for a \_\_\_ per cent levy on income for (brief description of the municipal corporation and school district purposes of the levy, including a statement of the percentage of income tax revenue that will be paid to the school district) be passed? The income tax, if approved, will not be levied on the incomes of individuals who do not reside in (the name of the municipal corporation). In order for the income tax to be levied, the voters of (the other municipal corporations in the group), which are also in the (name of the school district) school district, must approve an identical income tax and agree to pay the same percentage of the tax revenue to the school district.

For the income tax	
Against the income tax	



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(D) If the question is approved by a majority of the electors and identical taxes are approved by a majority of the electors in each of the other municipal corporations in the group, the municipal corporation shall impose the tax beginning on the first day of January of the year specified in the ordinance. The proceeds of the levy may be used only for the specified purposes, including payment of the specified percentage to the school district.