

# County Council of Cuyahoga County, Ohio

## Resolution No. R2011-0002

Sponsored by: <b>Conwell, Miller and Germana</b>	<b>A Resolution</b> opposing House Bill No. 3 of the 129 <sup>th</sup> Ohio General Assembly that would amend the Ohio Revised Code to repeal the estate tax for the estates of individuals dying on or after 1/1/2013, and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, House Bill No. 3 introduced on January 11, 2011 by representatives Cheryl L. Grossman (R) and Jay Hottinger (R) would amend the Ohio Revised Code to repeal the estate tax for the estates of individuals dying on or after January 1, 2013; and

WHEREAS, the estate tax helps address the imbalance of wealth by taxing the wealthy; and

WHEREAS, currently Ohio levies an estate tax of up to 7 percent on the next value of an estate before its assets are transformed to anyone else, but Ohio doesn't collect tax on estate unless its net taxable value is greater than \$338,333, according to the Taxation Department; and

WHEREAS, the Census Bureau reports that Ohio's 2009 median family income was about \$57,000- and the median value of an Ohio owner-occupied housing unit about \$135,000; and

WHEREAS, Ohio taxed only about 8,000 estates in the 12 months that ended in June 2009, though about 110,000 Ohioans- albeit of all ages and financial circumstances-died in calendar 2008; and

WHEREAS, abolishing the estate tax would hurt local municipalities that receive about 80 percent of estate tax revenue- about \$270 million in fiscal year 2009; and

WHEREAS, with 80 cents of every \$1 Ohio collects in estate tax being returned to the city, village or township where the dead person lived, in 2008, for example \$5.4 million went to Cleveland, \$2.3 million to Cleveland Heights, \$9.2 million to Columbus, \$2 million to Upper Arlington, \$ 785,000 to Dayton, \$3.6 million to Kettering, \$1.5 million each to Springfield and Hamilton, and \$911,000 to Mason; and

WHEREAS, Representative Mike Foley, a Democrat from Cleveland, is concerned that without the estate tax, local governments will be forced to cut services and raise taxes on their own citizens to make up for the shortfall; and

WHEREAS, Ohio Municipal League Deputy Director John Mahoney said that municipalities would like to see some source of revenue that would make up for that money if the state chooses to repeal the estate tax; and

WHEREAS, this Resolution constitutes an emergency measure for the immediate preservation of public peace, property, health or safety;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:**

**SECTION 1.** That this Council opposes House Bill No. 3 of the 129<sup>th</sup> Ohio General Assembly that would amend the Ohio Revised Code to repeal the estate tax for the estates of individuals dying on or after January 1, 2013.

**SECTION 2.** That the Clerk of Council is hereby directed to transmit certified copies of this Resolution to Representatives Grossman and Hottinger, the 129<sup>th</sup> Ohio General Assembly and County Executive Ed FitzGerald.

**SECTION 3.** It is necessary that this Resolution become immediately effective and constitutes an emergency measure for the immediate preservation of public peace, property, health or safety. Provided that this Resolution receives the affirmative vote of eight members of Council, this Resolution shall become immediately effective upon the signature of the County Executive.

**SECTION 4.** It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Rogers, seconded by Ms. Simon, the foregoing Resolution was duly adopted.

Yeas: Conwell, Jones, Connally, Rogers, Simon, Miller, Brady and Germana

Nays: Gallagher, Schron and Greenspan

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County Council President

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Date

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County Executive

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Date

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Clerk of Council

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Date

First Reading/Referred to Committee: February 8, 2011

Committee Assigned: Intergovernmental Relations & Collaboration

Second Reading, Amended on the Floor and Tabled: March 8, 2011

Journal CC001  
March 22, 2011