Gahanna Tax Reform FAQ

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www.gahanna.gov

Question: What is the current City of Gahanna income tax rate?
Answer: The current income tax rate is 1.5%.

Question: What is the income tax change that is being requested by the Mayor and City Council?
Answer: To change the City of Gahanna income tax rate from 1.5% to 2.5%.

Question: When will the vote on the income tax take place?
Answer: The income tax issue will be on the **November 5, 2013** ballot.

Question: When will the income tax take affect?
Answer: January 1, 2014

Question: Who pays City income tax?
Answer: The primary source of the City of Gahanna's income tax is employee withholdings for individuals who work in the City. Currently, Gahanna residents also pay income tax to the City, but the amount depends on where they work due to the 83.3% reduced credit. A small portion of Gahanna's income tax revenue comes from taxes on the net profit of businesses located within the City.

Question: I don't work in Gahanna. How does the income tax increase impact me?
Answer: Your income tax rate paid to the City of Gahanna depends on the income tax rate in the City where you work. The City of Gahanna has created an online calculator that will help you calculate if your taxes will increase or decrease (www.gahanna.gov). This chart provides a general overview of the income tax implications based on income tax rate where you work.

Income Tax in the City you work other than Gahanna	What income tax you currently pay Gahanna	Total Income Tax you pay to both Cities	Potential Impact (+ increase) (- decrease)
1.5%	0.25%	1.75%	+0.75%
2.0%	0.25%	2.25%	+0.25%
2.5%	0.25%	2.75%	-0.25%

Question: What change is being considered to the Credit?
Answer: The current income tax credit is 83.3% up to 1.5% for residents living in Gahanna that work in another community. If the income tax change passes, it will result in a 100% credit.

Question: I am retired and not employed. Will the income tax increase impact me?
Answer: No.

Question: Will this proposed change impact the property taxes I pay?
Answer: No.

OVER

REMINDER

November 5, 2013 is Election Day!

If you have any questions about your polling location or registration we encourage you to contact the Franklin County Board of Elections at 614.523.3100 or log on to vote.franklincountyohio.gov

Who is eligible to vote?

Legal U.S. Citizens who are Gahanna residents, over the age of 18 are eligible to vote. Residents over the age of 18 who are not registered to vote may contact the Franklin County Board of Elections at 614.523.3100 or log on to vote.franklincountyohio.gov

Question: Why is the City requesting an increase in the City income tax?
Answer: Cuts in state and federal funding, declining interest rates, and the slower economy have contributed to a $3 million annual reduction in general fund revenue. The City is facing an average gap between identified needs and forecasted revenue of $8 million per year.

Question: What will the income tax increase fund?
Answer: The funds will help maintain existing police, parks and recreation and the level of public works services. It will also provide funding for community and capital projects intended to maintain the City's assets and established quality of life.

Question: What community and capital improvements will happen if this issue passes?
Answer: The City will implement its Five-Year Capital Improvement plan which includes:

- Completion of the Big Walnut Trail system
- New pool to replace the Gahanna Swimming Pool
- Increases to street maintenance program

Question: What will happen if this issue does not pass?
Answer: The Administration has outlined a detailed plan of reductions that will be made over the next two years if additional revenue is not secured. Reductions have been made and will be made primarily in areas that have been identified as "non core" services. Some possible reductions are listed below:

- Reduced and cancelled community and recreation events
- Reduced street maintenance program
- Elimination of multipurpose (bike) trail construction
- Elimination of community and street sign upgrades
- Elimination of economic development programming
- Closure of Senior Center
- Closure of Ohio Herb Education Center
- Reduced parks maintenance
- Reduced police staffing

Additional Questions???
Please contact the Mayor's office if you are interested in having us meet with your local group, neighbors, homeowner associations, civic and church group.
To schedule a meeting time, call 614.342.4045 or email nancy.savage@gahanna.gov