

12/16/16

EVB/SWV/ELN

1  
SAT

10 - 3 Abstained  
(Freeman, Milkovich  
+ Neal)

Offered by: MAYOR HORRIGAN & COUNCILMAN FUSCO

**SUBSTITUTE OFFERED  
AS AN AMENDMENT**

ORDINANCE NO. 412 <sup>KEITH</sup> -2016 amending/supplementing Title 9 "General Provisions," Chapter 104 "Income Tax Ordinance," Section 104.113 "Authority of the Tax Administrator; Right to Examine," to codify the authorization of the Tax Administrator to accept information from third parties regarding Contractor Registration in accordance with the recommendations of the Blue Ribbon Task Force; and declaring an emergency.

WHEREAS, the Blue Ribbon Task Force submitted a Report and Recommendations to Mayor Horrigan on February 1, 2016 which included approximately 100 recommendations for changes to and improvements in, the administration of the City; and

WHEREAS, a majority of recommendations have been referred to various City departments or divisions for review and implementation; and

WHEREAS, the Blue Ribbon Task Force recommended that the City improve income tax collections from contractors; and

WHEREAS, establishing a procedure for third parties to provide information to the Tax Commissioner with respect to non-compliance with registration and income tax requirements will improve the City's ability to collect income tax from contractors.

NOW, THEREFORE, BE IT ENACTED by the Council of the City of Akron:

Section 1. That Title 9 "General Provisions," Chapter 104 "Income Tax Ordinance," 104.113 "Authority of the Tax Administrator; Right to Examine," of the Code of Ordinances of the City of Akron, be and is hereby amended and/or supplemented to read as follows:

104.113 AUTHORITY OF TAX ADMINISTRATOR; RIGHT TO EXAMINE

(A) The Tax Administrator, or any authorized agent or employee thereof may examine the books, papers, records, and federal and state income tax returns of any employer, taxpayer, or other person that is subject to, or that the Tax Administrator believes is subject to, the provisions of this Chapter for the purpose of verifying the accuracy of any return made or, if no return was filed, to ascertain the tax due under this Chapter. Upon written request by the Tax Administrator or a duly authorized agent or employee thereof, every employer, taxpayer, or other person subject to this section is required to furnish the opportunity for the Tax Administrator, authorized agent, or employee to investigate and examine such books, papers, records, and federal and state income tax returns at a reasonable time and place designated in the request.

(B) The records and other documents of any taxpayer, employer, or other person that is subject to, or that a Tax Administrator believes is subject to, the provisions of this Chapter shall be open to the Tax Administrator's inspection during business hours and shall be preserved for a period of six years following the end of the taxable year to which the records or documents relate, unless the Tax Administrator, in writing, consents to their destruction within that period, or by order requires that they be kept longer. The Tax Administrator of a municipal corporation may require

any person, by notice served on that person, to keep such records as the Tax Administrator determines necessary to show whether or not that person is liable, and the extent of such liability, for the income tax levied by the Municipality or for the withholding of such tax.

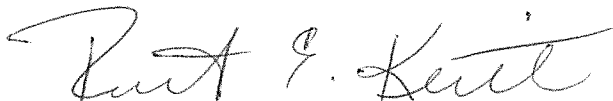
(C) The Tax Administrator may examine under oath any person that the Tax Administrator reasonably believes has knowledge concerning any income that was or would have been returned for taxation or any transaction tending to affect such income. The Tax Administrator may, for this purpose, compel any such person to attend a hearing or examination and to produce any books, papers, records, and federal and state income tax returns in such person's possession or control. The person may be assisted or represented by an attorney, accountant, bookkeeper, or other tax practitioner at any such hearing or examination. This division does not authorize the practice of law by a person who is not an attorney.

(D) No person issued written notice by the Tax Administrator compelling attendance at a hearing or examination or the production of books, papers, records, or federal and state income tax returns under this section shall fail to comply.

**(E) THE TAX ADMINISTRATOR MAY, IN A MANNER PRESCRIBED BY THE TAX ADMINISTRATOR, ACCEPT INFORMATION FROM THIRD PARTIES FOR THE PURPOSE OF INVESTIGATING WHETHER CONSTRUCTION CONTRACTORS HAVE COMPLIED WITH THE REQUIREMENTS OF SECTION 190.401 AND/OR SECTION 190.204(I) AND/OR WHETHER A CONSTRUCTION CONTRACTOR HAS PROPERLY WITHHELD AND PAID THE REQUIRED INCOME TAX TO THE CITY OF AKRON.**

Section 2. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety for the reason that establishing a procedure for third parties to provide information to the Tax Administrator with respect to non-compliance with registration and income tax requirements will improve the City's ability to collect income tax from contractors; and provided this ordinance receives the affirmative vote of two-thirds of the members elected or appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force at the earliest time allowed by law.

Passed: December 19, 2016



Clerk of Council

\_\_\_\_\_  
President of Council

Approved: \_\_\_\_\_, 2016

\_\_\_\_\_  
MAYOR

RECEIVED  
2016 DEC 16 AM 9:05  
AKRON CITY COUNCIL