

W.S.a.

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

ORDINANCE NO. 6-06

IN THE MATTER OF AMENDING ORDINANCE NO. 1-06 TO CHANGE THE LANE COUNTY PUBLIC SAFETY INCOME TAX RATES FROM 1% TO 1.4% AND TO SET AN EFFECTIVE DATE (L.C. 4.521(1), 4.531(1), AND 4.541(1))

The Board of County Commissioners of Lane County ordains as follows:

Chapter 4 of Lane Code is hereby amended by deleting, substituting, and adding new sections as follows:

DELETE THESE SECTIONS

INSERT THESE SECTIONS

4.521
as located on page 6
(a total of 1 page)

4.531
as located on page 10
(a total of 1 page)

4.541
as located on page 14
(a total of 1 page)

4.521
as located on page 6
(a total of 1 page)

4.531
as located on page 10
(a total of 1 page)

4.541
as located on page 14
(a total of 1 page)

Said sections are attached hereto and incorporated herein by reference. The purpose of this substitution and addition is to change the Lane County Public Safety Income Tax rates from 1% to 1.4% and to set an effective date (L.C. 4.521(1), 4.531(1), and 4.541(1)).

This ordinance shall become effective January 1, 2007, if the voters approve the amendment to the Lane County Home Rule Charter, Section 38, in the election to be held on November 7, 2006, which was referred to them by Board Order on July 10, 2006 (Order No. 06-6-28-10).

ENACTED this _____ day of _____ 2006.

Chair, Lane County Board of Commissioners

Recording Secretary for this Meeting of the Board

APPROVED AS TO FORM
Date 7/11/06 Lane County
Teresa White
OFFICE OF LEGAL COUNSEL

LANE COUNTY PUBLIC SAFETY PERSONAL INCOME TAX

4.520 Lane County Public Safety Personal Income Tax.

The tax imposed under LC 4.521 to LC 4.526 may be referred to as the Lane County Public Safety Personal Income Tax.

4.521 Imposition and Rate of Public Safety Personal Income Tax; Requirement to File Personal Income Tax Return.

(1) Except as otherwise provided in this chapter, a tax is imposed upon each resident equal to 1.4 percent of the resident's County taxable income, effective with tax years beginning on or after January 1, 2007.

(2) Except as provided in the Rules:

(a) Each resident shall file a Lane County Public Safety Personal Income Tax return with the County for each tax year in which the person has taxable income under the State of Oregon personal income tax laws that exceeds \$2,500, regardless of whether the resident is obligated to pay a Lane County Personal Income Tax for that tax year.

(b) The return shall be filed no later than the 15th day of the fourth month following the end of the resident's tax year.

(3) If an individual is a resident for less than a full tax year, the County taxable income of the individual may be prorated and reduced based on the number of days during the tax year that the individual was a resident as provided in the Rules. Except as provided in LC 4.531(2), an individual who was a resident for less than a full tax year shall pay Lane County Public Safety Nonresident Income Tax on nonresident income for the portion of the tax year in which the individual was not a resident.

4.522 Deductions.

The following amounts may be deducted from Oregon taxable income to compute County taxable income:

(1) Each resident filing singly may deduct \$2,500 from the resident's Oregon taxable income.

(2) Residents filing jointly, or filing as head of household or as qualifying widow or widower may deduct \$5,000 from their combined Oregon taxable income.

(3) The income deduction amount shall be increased by any retirement benefit paid out of the Oregon PERS retirement fund pursuant to ORS 238.445 and any federal retirement benefit that is taxed as income by the State of Oregon.

LANE COUNTY PUBLIC SAFETY NONRESIDENT INCOME TAX

4.530 Lane County Public Safety Nonresident Income Tax.

The tax imposed under LC 4.530 to LC 4.536 may be referred to as the Lane County Public Safety Nonresident Income Tax.

4.531 Imposition and Rate of Nonresident Income Tax; Requirement to File Personal Income Tax Return.

(1) Except as otherwise provided in this chapter, a tax is imposed upon each nonresident receiving or accruing nonresident taxable income in an amount equal to 1.4 percent of that person's nonresident taxable income, effective with tax years beginning on or after January 1, 2007.

(2) Except as provided in the Rules:

(a) Each nonresident receiving or accruing nonresident taxable income shall file a Lane County Public Safety Nonresident Income Tax return with the County for each tax year in which the nonresident has nonresident income that exceeds \$2,500, regardless of whether the nonresident is obligated to pay a Lane County Nonresident Income Tax for that tax year.

(b) The return shall be filed no later than the 15th day of the fourth month following the end of the nonresident's tax year.

(c) An individual who was both a resident and a nonresident in a single tax year may elect to file and pay Lane County Public Safety Personal Income Tax for that entire tax year, in lieu of paying Lane County Public Safety Personal Income Tax for a portion of the tax year and Lane County Public Safety Nonresident Income Tax for a portion of the tax year.

4.532 Deductions.

The following amounts may be deducted from nonresident income to compute nonresident taxable income:

(1) Each nonresident filing singly may deduct \$2,500 from the taxfiler's nonresident income.

(2) Nonresidents filing jointly, or filing as head of household or as qualifying widow(er) may deduct \$5,000 from their combined nonresident income.

(3) The income deduction amount shall be increased by any retirement benefit paid out of the Oregon PERS retirement fund pursuant to ORS 238.445 and any federal retirement benefit that is taxed as income by the State of Oregon.

LANE COUNTY PUBLIC SAFETY BUSINESS INCOME TAX

4.540 Lane County Public Safety Business Income Tax.

The tax imposed under LC 4.541 to LC 4.548 may be referred to as the Lane County Public Safety Business Income Tax.

4.541 Imposition And Rate Of Public Safety Business Income Tax.

(1) Except as otherwise provided in this chapter, a tax is imposed upon each person doing business within the County equal to 1.4 percent of the person's taxable business income, effective with the tax years beginning on or after January 1, 2007.

(2) The payment of a tax required hereunder and the acceptance of such tax shall not entitle a taxfiler to carry on any business not in compliance with all the requirements of this code and all other applicable laws.

4.542 Requirement to File Return; Presumptive Tax.

(1) Each person engaging in business in the County shall file a Lane County Public Safety Business Income Tax return with the County for each tax year in which the person has gross business income from all business activities, both within and without the County, of \$25,000 or more, regardless of whether that person is obligated to pay a Lane County Business Income Tax for that tax year. Except as provided in the Rules, the return shall be filed no later than the 15th day of the fourth month following the end of the person's tax year.

(2) If a person doing business in the County fails to file a return, a rebuttable presumption shall exist that the tax payable amounts to \$500 for every tax year for which a return has not been filed.

(3) This section shall not be construed to prevent the Tax Administrator from assessing a tax of more or less than \$500 for a tax year pursuant to LC 4.563(2).

4.543 Exemptions.

To the extent set forth below, the following persons or business incomes are exempt from tax requirements imposed by the Lane County Public Safety Business Income Tax Code:

(1) The United States of America, the State of Oregon and any other State of the United States, the County and any other county, cities, public schools, special districts, peoples' utility districts and other units of local government.

(2) Persons whom the County is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon or County Charter.

LANE COUNTY PUBLIC SAFETY PERSONAL INCOME TAX

4.520 Lane County Public Safety Personal Income Tax.

The tax imposed under LC 4.521 to LC 4.526 may be referred to as the Lane County Public Safety Personal Income Tax.

4.521 Imposition and Rate of Public Safety Personal Income Tax; Requirement to File Personal Income Tax Return.

(1) Except as otherwise provided in this chapter, a tax is imposed upon each resident equal to ~~one~~ **1.4 percent** ~~(1%)~~ of the resident's County taxable income, effective with tax years beginning on or after January 1, 2007.

(2) Except as provided in the Rules:

(a) Each resident shall file a Lane County Public Safety Personal Income Tax return with the County for each tax year in which the person has taxable income under the State of Oregon personal income tax laws that exceeds \$2,500, regardless of whether the resident is obligated to pay a Lane County Personal Income Tax for that tax year.

(b) The return shall be filed no later than the 15th day of the fourth month following the end of the resident's tax year.

(3) If an individual is a resident for less than a full tax year, the County taxable income of the individual may be prorated and reduced based on the number of days during the tax year that the individual was a resident as provided in the Rules. Except as provided in LC 4.531(2), an individual who was a resident for less than a full tax year shall pay Lane County Public Safety Nonresident Income Tax on nonresident income for the portion of the tax year in which the individual was not a resident.

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(2) Except as provided in the Rules:

(a) Each nonresident receiving or accruing nonresident taxable income shall file a Lane County Public Safety Nonresident Income Tax return with the County for each tax year in which the nonresident has nonresident income that exceeds \$2,500, regardless of whether the nonresident is obligated to pay a Lane County Nonresident Income Tax for that tax year.

(b) The return shall be filed no later than the 15th day of the fourth month following the end of the nonresident's tax year.

(c) An individual who was both a resident and a nonresident in a single tax year may elect to file and pay Lane County Public Safety Personal Income Tax for that entire tax year, in lieu of paying Lane County Public Safety Personal Income Tax for a portion of the tax year and Lane County Public Safety Nonresident Income Tax for a portion of the tax year.

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(2) The payment of a tax required hereunder and the acceptance of such tax shall not entitle a taxfiler to carry on any business not in compliance with all the requirements of this code and all other applicable laws.

4.542 Requirement to File Return; Presumptive Tax.

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(1) The United States of America, the State of Oregon and any other State of the United States, the County and any other county, cities, public schools, special districts, peoples' utility districts and other units of local government.

(2) Persons whom the County is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon or County Charter.

IN THE BOARD OF COUNTY COMMISSIONERS
OF LANE COUNTY, OREGON

ORDER NO. 06-7-12-

) IN THE MATTER OF AMENDING ORDER
) NO. 06-6-28-10 TO REVISE THE BALLOT
) TITLE QUESTION TO REFLECT THE
) INCOME TAX LIMITATION CHARTER
) AMENDMENT

WHEREAS, on July 10, the Board adopted Order No 06-6-28-10 referring to the November 7, 2006 election the Income Tax Limitation Charter Amendment, which Order included as Exhibit B a Ballot Title for the election referral, and

WHEREAS, adoption of such Charter Amendment complies with the 120 day time limit of LC 2.650, and

WHEREAS, under LC 2.650(2), County Counsel has 5 days after the referral to prepare and submit the ballot title to the County Clerk, and

WHEREAS, County Counsel has determined that the Ballot Title Question in Exhibit B of Order No 06-6-28-10 did not consistently reflect the proposed Charter Amendment's description of the reserve, and

WHEREAS, the Board has determined that correction of the Ballot Title Question is needed, and the authority exists under LC 2.650(2) for County Counsel to submit a corrected ballot title within the allowed time limits,

NOW, THEREFORE IT IS HEREBY ORDERED that Board Order 06-6-28-10 be amended by replacing Exhibit B with Exhibit B-1, which is attached hereto and incorporated by this reference.

DATED this 12th day of July, 2006.

Chair, Lane County Board of
Commissioners

APPROVED AS TO FORM
Date 7/11/06 Lane County
Teresa Wilson
OFFICE OF LEGAL COUNSEL

Ballot Title

Caption: Lane County Charter Amendment to Limit Income Tax

Question: Shall County Charter limit income taxes, dedicate revenues to public safety, and provide property tax relief and a reserve?

Summary: This Home Rule Charter Amendment:

- Limits County income tax authority.
- Requires voter approval for any rate higher than 2.0 % of net income.
- Applies to tax years starting January 1, 2007.
- Dedicates income taxes (after collection expense) to public safety only. Public safety is defined as programs to protect citizens from the effects of, or to reduce, criminal activity. Includes adult and youth corrections, crime prevention, detention, supervision, and patrol. Includes mental health and crime victim services, alcohol and drug treatment. Includes Sheriff, Youth Services and District Attorney departments, related support services.
- Through 2012, focuses increased funds on reducing illegal drug activity and family violence, enhancing treatment and prevention programs.
- Requires any income tax provide property tax relief to income taxpayers.
- Requires dedicated fund for income tax revenues and a reserve of 10% of annual income tax revenue.

The Commissioners have enacted an income tax ordinance within these limits on residents, nonresidents and businesses. It takes effect only if this measure passes.