



Income Tax Ballot Issue Frequently Asked Questions

1. What is on the ballot?

- a. On November 7, 2023, voters will be asked to decide on a new income tax structure for Johnstown.
- b. If approved, this measure will change the Johnstown income tax to 2.25% per year, and enact a credit for income taxes paid to other municipalities of 75% per year, up to the amount of tax assessed by the city.
 - i. This is a permanent credit, that can only be modified by voters in a future election.

2. Why make this change now?

- a. By instituting a 75% credit a majority of the residents would receive tax savings or realize no tax change, while simultaneously providing increased revenue for the City. Moving to a 2.25% rate while incorporating a credit enables the City to collect a larger share of its revenue from the businesses and labor force located in Johnstown.
- b. With the presence of Intel, the city is well positioned to capitalize on the secondary businesses and labor force that will be locating to the area.
- c. The new income tax would position the City to strategically expand its service areas while protecting the townships and the Johnstown-Monroe Local School District from neighboring development pressures.

3. What is the current income tax structure in Johnstown?

- a. The City's existing income tax rate is 1% per year, with no credit for income taxes paid in other communities.

4. Who would be affected if the issue is approved by voters?

- a. The tax credit built into this proposal will provide an income tax decrease for some residents who pay income tax to the municipality in which they work.
- b. Retirees whose income consists of investment funds, e.g., annuity payments, retirement checks or Social Security would not be impacted. An estimated 26% of Johnstown residents fall into this category.
- c. Individuals who live in Johnstown, but work elsewhere, and pay a municipal income tax of 1.7% or more, would receive a tax cut. This group represents an estimated 38% of Johnstown residents.

- d. Taxes for individuals who work and live in Johnstown or live in Johnstown and pay a municipal income tax of 1.664% or less will pay more income tax.
- e. An estimated 61% of Johnstown residents will see a decrease or no change in the income tax they pay; about 39% will pay more income tax.

5. What will the money be used for?

- a. Revitalizing and repairing streets, sidewalks, and other aging infrastructure.
- b. Routine maintenance and daily operations.
- c. Enhance security and police protection.
- d. Park and greenspace investments.
- e. Provide necessary resources to protect our boundaries from outside development pressures.

6. How much money will this tax initiative bring in?

- a. Based on the current population the additional tax revenue would amount to an estimated \$1,500,000 annually. Revenue for the city would go from approximately \$2.7 million to about \$4.2 million.

7. If I have additional questions about the tax issue, who do I contact?

- a. Email your questions to: info@johnstownohio.org