

LEBANON FIRE & EMERGENCY MEDICAL SERVICES (EMS) INCOME TAX LEVY WITH 3 MILL PROPERTY TAX REDUCTION FAQ'S



WHAT IS ON THE NOVEMBER BALLOT?

The City of Lebanon has placed language on the ballot that would increase the City income tax from 1% to 1.5% that, if approved, would automatically reduce the existing Fire property tax levy by 3 mills. All additional revenue generated from the .5% income tax increase will be directed to Fire and EMS services.

WHAT CHALLENGES DOES THE DIVISION OF FIRE FACE?

The Lebanon Division of Fire is committed to providing outstanding fire and emergency medical services to the community. The number of service calls to the department has increased by 25% over the past 5 years. Under current funding levels, the department must rely on a combination of full-time and part-time staff to fill each shift. Due to regional part-time labor shortages, the number of available part-time Fire and EMS personnel has decreased by 75%. A shortage of part-time staff can result in fire station closings which lengthens response times. A full-time department is necessary to continue to provide the quality Fire and EMS services that the community relies on.

HOW WOULD THE TAX LEVY BE USED?

The Income Tax Levy will support:

1. Hiring additional full-time Fire / EMS employees to eliminate reliance on part-time staffing.
2. Respond to increased calls for service / avoid temporary fire station closings.
3. Reducing the existing Fire property tax levy by 3 mills. This will save the owner of a \$200,000 home approximately \$170 per year. Senior citizens, those on fixed income and residents that are paying income tax to another city will likely see a total tax reduction.



APPROXIMATE PROPERTY TAX ANNUAL SAVINGS

A house valued at **\$200,000** will approximately save **\$170** annually on property taxes.

A house valued at **\$300,000** will approximately save **\$250** annually on property taxes.

Lebanon Median Home Value: \$262,019

WHAT IS A MILL? A mill is a term used to express the tax rate that is applied to the assessed value of a property. One mill is one dollar per \$1,000 of assessed value.

HOW IS THE DIVISION OF FIRE CURRENTLY FUNDED?

Currently, the Fire and EMS services are funded through a 9 mill property tax levy. All Lebanon property owners, including those on fixed income such as retirees, are 100% responsible for funding these services. Shifting some fire funding responsibility to income tax, and reducing the property tax, would shift some of the tax funding responsibility to non-residents and reduce the burden on senior citizens and residents who are paying income tax to other cities.



WHO PAYS CITY INCOME TAX? State law requires that people pay their income taxes to the city that they work in, not necessarily where they live. For example, a Lebanon resident working in Cincinnati pays income tax to Cincinnati and receives a 50% credit of the 1% Lebanon tax due. However, if you live outside of Lebanon but work in Lebanon, you pay income tax to Lebanon. There are over 11,000 non-residents working in Lebanon. **Using the proposed 0.5% income tax increase to pay for necessary Fire and EMS services shifts some of the tax responsibility onto non-residents, which would allow the City to reduce the existing Fire property tax levy by 3 mills. This benefits Lebanon property owners and businesses.**



HOW MUCH WILL THE INCOME TAX LEVY / PROPERTY TAX REDUCTION COST ME?

This depends on several factors including: how much income you make, whether or not it is fixed income (retirement, etc.), if you are already paying income tax to another city and the value of your home. If you are currently paying income tax to Lebanon, this would increase by 0.5%. For example, if you make \$75,000 per year, you would see your income tax increase by \$31 per month. However, if you own property in Lebanon, the 3 mill property tax reduction would decrease your property taxes by \$14 per month for a home valued at \$200,000. If you are already paying income tax to another city of at least 1.5%, your Lebanon income tax will not go up, but your property taxes will be reduced by 3 mills. Therefore, by voting for the income tax levy, many property-owning residents will realize a total tax reduction.

HOW WILL THE MONEY BE SPENT? The revenue generated by the proposed 0.5% income tax increase will be directed to Fire and EMS Operations, and support transitioning the department to a full-time department to ensure continued outstanding Fire and EMS response.

DIRECT QUESTIONS TO:

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