

CITY OF BEDFORD, OHIO

ORDINANCE NO. 8481-09

BEING AN ORDINANCE AMENDING SECTION 165.05 OF THE  
ADMINISTRATIVE CODE OF THE CITY OF BEDFORD, OHIO  
AND DECLARING AN EMERGENCY

WHEREAS, the Council of the City of Bedford, Ohio considers it essential that certain sections of the administrative code need to be updated.

NOW, THEREFORE,

BE IT ORDAINED by the Council of the City of Bedford, County of Cuyahoga and State of Ohio:

Section 1. Section 165.05 of the Administrative Code which formerly read:

165.05 OPERATING LOSS; CARRY FORWARD

- (a) The portion of a net operating loss of a business sustained in any taxable year subsequent to July 1, 1967 allocable to the City may be applied against the portion of the business' profit of succeeding tax years allocable to the City, until exhausted but in no event for more than five (5) taxable years immediately following the year in which the loss occurred. No portion of a net operating loss shall be carried back against net profits of any prior year. No portion of a net operating loss of one business allocable to the City shall be applied against the portion of the net profits or net income of another business allocable to the City, including, but not limited to, the net income from rental property of another business, in such year or in any prior or succeeding year.
- (b) The portion of net operating loss sustained shall be allocated to the City in the same manner as provided herein for allocating net profits to the City.
- (c) The Administrator shall provide by Rules and Regulations the manner in which such net operating loss carry-forward shall be determined.
- (d) Notwithstanding anything to the contrary in this Section 165.05, if (i) with respect to any tax year a business taxpayer does not file a return by the date required under Section 167.02 and does not file by such date a request for an extension of such date, and after such date, but not later than the date which is six months (6 mos.) after such date, such business taxpayer does obtain pursuant to Section 167.04 an extension of such date and then files a return no later than such filing date as extended, and (ii) such business taxpayer has sustained a net operating loss in such tax year that this Section otherwise permits to be carried forward and applied against the profit of succeeding tax years allocable to the City, in addition to any other penalties provided for in this Title Nine in the case of not timely filing a return or paying an amount due hereunder, such business taxpayer shall be entitled to carry forward for application against the profit of succeeding tax years in accordance with this Section 165.05 only 80% of the net operating loss that otherwise would have been permitted to be carried forward under this Section.

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- (e) Notwithstanding anything to the contrary in this Section 165.05, if (i) a business taxpayer does not file for any tax year a return as required under Section 167.02 and does not obtain an extension of such filing date prior to the date which is six months (6 mos.) after such filing date and (ii) such business taxpayer has sustained a net operating loss in such tax year that this Section would otherwise permit to be carried forward and applied against the profit of succeeding tax years allocable to the City, such business taxpayer shall not be entitled to carry forward for application against the profit of any succeeding year any of the net operating loss incurred in such tax year.

is hereby amended to read:

- (a) Effective January 1, 2009 the City of Bedford will not allow net operating loss carry forwards. Additionally, any prior year(s) net operating loss carry forwards will not be allowed to be applied beyond the calendar year 2009. No portion of a net operating loss shall be carried back against net profits of any prior year. No portion of a net operating loss of one business allocable to the City shall be applied against the portion of the net profits or net income of another business allocable to the City, including, but not limited to, the net income from rental property of another business, in such year or in any prior or succeeding year.
- (b) The portion of net operating loss sustained shall be allocated to the City in the same manner as provided herein for allocating net profits to the City.

Section 2. This Ordinance is hereby declared to be an emergency measure immediately necessary for the public peace, health, safety and welfare of the City of Bedford and further reason that Council desires to immediately implement this change in the Administrative Code.

WHEREAS, this Ordinance shall be in full force and effect immediately upon its passage.

  
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Vice Mayor

  
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Clerk of Council

PASSED: September 21, 2009

I, Kathleen Lynch, Clerk of Council of the City of Bedford, Ohio do hereby certify that the foregoing is a true and correct copy of Ordinance No. 8481-09 passed on the 21<sup>st</sup> day of September 2009 by said Council.

  
Clerk of Council