



**AGENDA**  
**Committee of the Ways and Means**  
**Monday, August 23, 2010 @ 12:45 p.m.**  
**Tenth Floor Conference Room – City Hall**

Councilmember Carol Wood, Chair  
Councilmember Eric Hewitt, Vice Chair  
Councilmember Tina Houghton, Member

**I. Call To Order**

**II. Roll Call**

**III. Approval of Minutes**

- July 26, 2010
- August 9, 2010

**IV. Public Comment**

**V. Discussion/Action**

1. Resolution Authorizing the City Treasurer to Provide a Check Off Box on Income Tax Forms to Allow Taxpayers to Designate Refunds for Specific Purposes
2. Update on Michigan Tax Tribunal Cases
3. Report on fines and penalties paid to the IRS
4. Report on the Single Stream Recycling & Waste Management Review

**VI. Receipt of Communications**

**VII. Adjourn**

**VIII. Pending**

- Local preference ordinance
- Update on IRS New Rules on Tax Increase Prevention & Reconciliation Act
- Waste Management on Recycling and Refuse
- Creation of a Foundation

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**OFFICE OF THE MAYOR**

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From the 8-2-10 Council Meeting Packet

REFERRED TO THE COMMITTEE ON  
WAYS AND MEANS AND THE  
INTERNAL AUDITOR

Virg Bernero, Mayor

TO: City Council President A'Lynne Robinson and Council Members  
FROM: Mayor Virg Bernero  
DATE: July 29, 2010  
RE: Resolution—Authorizing City Treasurer to Provide a Check-off Box on Income Tax Forms to Allow Taxpayers to Designate Refunds for Specific Purposes

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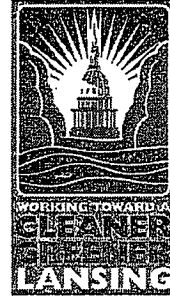
The attached correspondence is forwarded for your review and appropriate action.

VB/rh  
Attachment



Virg Bernero, Mayor

City of Lansing  
Inter-Departmental  
Memorandum



To: Virg Bernero, Mayor

From: Jerry Ambrose, Finance Director/Amy Kraus, City Treasurer

Subject: CITY COUNCIL AGENDA ITEM - Authorizing City Treasurer to Add Check-off Box to Income Tax Form

Date: July 29, 2010

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Please forward this resolution to City Council for placement on the Agenda.

If you have any questions, or need additional information, please give me a call.

**Attachments**

"Equal Opportunity Employer"

RESOLUTION AUTHORIZING THE CITY TREASURER TO PROVIDE A CHECK-OFF BOX ON INCOME TAX FORMS WHICH ALLOW TAXPAYERS TO DESIGNATE REFUNDS FOR SPECIFIC DESIGNATED PURPOSES

RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, many cities that impose an income tax currently provide a check-off box on their income tax return forms, allowing taxpayers to designate their refunds or additional payments to the City for certain purposes; and

WHEREAS, the City expends funds on processing and mailing many income tax refunds of negligible value; and

WHEREAS, the City Treasurer has determined that it is feasible to provide a check-off box on the City's income tax return forms; and

WHEREAS, the City Income Tax Act, being MCL 141.501 *et seq* and Public Act 284 of 1964, and the Uniform City Income Tax Ordinance, adopted by the City in Chapter 882 of the Lansing Codified Ordinances, allows the City Treasurer to establish rules and regulations relating to the administration and enforcement of the Income Tax Ordinance with the approval of City Council and after publishing such rules in the official newspaper of the City;

NOW, THEREFORE, BE IT RESOLVED, that the City Treasurer may provide a check-off box on the City's income tax return forms, allowing taxpayers to designate all or any portion of their refunds or additional payments to the City for the purpose of:

- Supporting the HOPE Scholarship Fund
- Supporting the annual Silver Bells Celebration
- Assistance to the homeless
- Increasing police overtime for problem solving

BE IT FURTHER RESOLVED that any check-off box placed on the City's income tax return forms pursuant to this resolution shall state the purpose for which the designated funds will be used.

July 26, 2010

To: Mayor Bernero

From: Jerry Ambrose, Chief of Staff and Finance Director  
Antonia Kraus, City Treasurer

RE: Income Tax Refund Check-off

Several cities within the state not only levy a local income tax, but also allow taxpayers entitled to refunds to designate those refunds for specific purposes. This provision has proved to be valuable to those cities by allowing for the receipt of additional revenue while reducing the cost of issuing refunds.

We are proposing that the City of Lansing offer the option of a voluntary check-off for taxpayers entitled to a refund of their local income tax. Our tax system is designed to accommodate a check-off, but is limited to four choices. Thus, we are recommending that taxpayers have the option of designating refunds or additional payments to the following:

- Supporting the HOPE Scholarship Fund
- Supporting the annual Silver Bells Celebration
- Assisting the homeless
- Increasing police overtime for problem solving

While it is difficult to project the amount of funds which may be received from this, the cost of offering it is minimal. There is little risk that the cost of implementing it would be greater than the funds received.

I am recommending that the attached resolution be forwarded to City Council for their consideration.