

**FOR IMMEDIATE RELEASE**  
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**COMMISSIONERS JOIN NATIONAL EFFORT TO URGE CONGRESS TO REJECT PROPOSED  
CHANGES TO THE 100-PERCENT TAX-EXEMPT STATUS OF MUNICIPAL BONDS**

*Tax-exempt status of municipal bonds to save taxpayers \$5 million in 2013 County Budget*

Franklin County is now the fastest growing county in Ohio. Tomorrow, citing concerns over the potential for additional pressure on the County's already-constrained budget, Franklin County Commissioners are expected to approve a resolution supporting the efforts of the National Association of Counties (NACo) and the County Commissioners Association of Ohio (CCAO) to oppose proposed Federal changes to the tax-exempt status of Municipal Bonds.

Tax-exempt municipal bonds were written into the first tax code in 1913, and for over 100 years, have been vital to funding local infrastructure and economic development. Local governments, schools and hospitals have used the tax-exempt bonds as a critical tool to facilitate budgeting and financing of long-term investments in community projects such as schools, hospitals, water and sewer facilities, roads, public parks and other public facilities.

Specifically, in Franklin County, tax-exempt municipal bonds have been used for projects such as the state's first LEED-certified county courthouse and the Dog Shelter & Adoption Center.

Any move to change the current tax treatment of local government bonds would lead to higher borrowing costs for Franklin County as well as every other local government.

In a letter to Central Ohio's Congressional Delegation dated March 21, 2013, the Franklin County Board of Commissioners expressed concern for the proposed changes stating, "Total elimination of the tax exemption for these municipal bonds – even the consideration of a capped tax – would cost counties and local governments billions of dollars and hurt our ability to finance future infrastructure projects. For the 2013 Budget for Franklin County alone, the tax-exempt status of the bonds has saved our taxpayers approximately \$5 million."

The Board continued, "Now, we could face the additional risk of not having a low-cost, market driven means of financing to support local infrastructure needs. Maintaining the tax exemption prevents shifting new burdens to local governments. Without the protection, borrowing costs would increase, only hurting local taxpayers and jeopardizing the investment in local public projects."

The Franklin County Board of Commissioners will meet Tuesday morning at 9 am in the Commissioners' Hearing Room (373 S. High St., 26<sup>th</sup> Floor).

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