

## **THE TAX ATTACK**

### **Chapter XXIV**

Welcome to the first electronic edition of this series of articles related to Gates Mills Village fiscal matters. Please note that considerable time has been spent eliminating duplicate addresses for our email directory. Should you have received more than one of these emails or should you wish to be removed from our list, please advise by email and your wish will be honored.

The election of 2011 is behind us and we congratulate those who were selected to represent our residents for the next four years. Every indication is that we should expect many fiscal challenges and our best interests call for greater engagement by all.

In the Village, the tax revenue picture is somewhat predictable as both the operating levy and the land conservation levy were approved. Not until 2013 will we again be asked to consider continuation of an existing levy. Of course, this does not guarantee that our real estate taxes will remain unchanged. Less than 18% of those taxes come to the Village. The largest component of those taxes is for schools, and already our school district is warning of substantial cuts coming from Columbus and their impact on operations.

At the State and federal levels there is even greater uncertainty as the battle for power rages among Democrats and Republicans. While we know that the Ohio Estate Tax will expire on December 31, 2012, and that revenue stream will begin to decline, it is currently unknown what burden the economy and the shifting of government priorities will extract on income tax deductions and rate increases.

Do not let the uncertainty cause you to become complacent. True, the so-called Bush tax cuts do not expire until next year-end, but it is not too early to discuss the many permutations that could become reality when government realizes that the best interest of the people supersedes the best interest of the politicians. Confer with your tax advisor; there are options. For example, gifting limits are at a modern all-time high.

Back at home the 2012 Village budget process is getting underway. Meetings of the Budget and Wage Committees will soon occur and each Village department is drafting proposals and gathering information to present to Council committees in support of 2012 services. These meetings, which are posted at Village Hall and on the Village website, are open to all. There is no better way to understand how Gates Mills will plan for and address changes in revenue and expenses and to share your opinions.

Do yourself and your community a favor. Get informed and get involved.

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Treasurer and Tax Administrator