

Bond Case Briefs

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Village of Put-in-Bay v. Mathys

Supreme Court of Ohio - September 16, 2020 - N.E.3d - 2020 WL 5537009 - 2020 -Ohio-4421

Village filed criminal complaints against operators of business that made motorized golf carts available for rent within village, alleging they violated ordinance requiring owners of vehicles that were made available for hire and use within the municipality to pay a license fee on those vehicles.

After transfer from village's mayor court, the Court of Common Pleas granted operators' motions to dismiss. Village appealed. The Court of Appeals reversed and remanded. Operators appealed, and the Supreme Court accepted the appeals.

The Supreme Court held that:

- Ordinance was constitutional exercise of village's right to tax, and
- Ordinance did not violate constitutional provision relating to operation or use of vehicles on public highways.

Village ordinance requiring owners of vehicles that were made available for hire within municipality to pay license fee on those vehicles was not expressly preempted by statutes imposing state license tax on motor vehicles and allowing an additional \$5 tax by counties and municipalities under certain circumstances, and thus ordinance was constitutional exercise of village's right to tax; fact that municipalities were limited in their ability to impose a tax on the operation of a motor vehicle did not mean that General Assembly had prohibited all taxes involving motor vehicles, and municipal tax imposed by village ordinance was not same as, or similar to, state license tax, as it imposed business tax on rental vehicles, not license tax on operation of motor vehicles on public highways.

Village ordinance requiring owners of vehicles that were made available for hire within municipality to pay license fee on those vehicles did not violate prohibition in Home Rule Amendment to State Constitution stating that no monies derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways could be expended other than for listed purposes and "other statutory highway purposes," though funds collected from taxes levied by local ordinance were expended on local purposes; ordinance operated as a business tax on the privilege of renting one's vehicle as a business venture and did not concern or otherwise place any limitations on operation or use of vehicles on public highways.