

# **CITY OF MONROE**

## **INCOME TAX ORDINANCE**

**CITY OF MONROE  
INCOME TAX BUREAU**

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# CHAPTER 886: MUNICIPAL INCOME TAX

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# City of Monroe Income Tax Ordinance

## SECTION 886.01 PURPOSE

To provide funds for the purpose of general Municipal operation, maintenance, new equipment, extension and enlargement of Municipal services and facilities, and capital improvements of the Municipality, there is levied a tax on qualifying wages, commissions, and other compensation, and on net profits as provided in this chapter. (Ord. 93-06. Passed 5-11-93.)

## SECTION 886.02 DEFINITIONS

For the purpose of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning. Further, the singular shall include the plural, the masculine shall include the feminine and the neuter, and all periods set forth shall be inclusive of the first and last mentioned dates.

***ADJUSTED FEDERAL TAXABLE INCOME*** – means a C corporation’s federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

- A. Deduct intangible income to the extent included in federal taxable income. The deduction shall be allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income;
- B. Add an amount equal to five percent (5%) of intangible income deducted under division (a) of this section, but excluding that portion of intangible income directly related to the sale, exchange, or other disposition of property described in section 1221 of the Internal Revenue Code;
- C. Add any losses allowed as a deduction in the computation of federal taxable income if the losses directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code;
- D. (i) Except as provided in division (D)(ii) of this section, deduct income and gain included in federal taxable income to the extent the income and gain directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code;  
  
(ii) Division (D)(i) of this section does not apply to the extent the income or gain is income or gain described in section 1245 or 1250 of the Internal Revenue Code;
- E. Add taxed on or measured by net income allowed as a deduction in the

computation of federal taxable income;

F. In the case of a real estate investment trust and regulated investment company, add all amounts with respect to dividends to, distributions to, or amounts set aside for or credited to the benefit of investors and allowed as a deduction in the computation of federal taxable income;

G. If the taxpayer is not a C corporation and is not an individual, the taxpayer shall compute adjusted federal taxable income as if the taxpayer were a C corporation, except:

- (i) Guaranteed payments and other similar amounts paid or accrued to a partner, former partner, member, or former member shall not be allowed as a deductible expense; and
- (ii) Amounts paid or accrued to a qualified self-employed retirement plan with respect to an owner or owner-employee of the taxpayer, amounts paid or accrued to or for health insurance for an owner or owner-employee, and amounts paid or accrued to or for the life insurance for an owner or owner-employee shall not be allowed as a deduction.

Nothing in this section shall be construed as allowing the taxpayer to add or deduct any amount more than once or shall be construed as allowing any taxpayer to deduct any amount paid to or accrued for purposes of federal self-employment tax.

Nothing in this chapter shall be construed as limiting or removing the ability of any municipal corporation to administer, audit and enforce the provisions of its municipal income tax.

**ASSOCIATION** – A partnership, limited partnership, S corporation or any other form of unincorporated enterprise, owned by two or more persons.

**BOARD OF REVIEW** – The Board created by and constituted as provided for in Section 886.29.

**BUSINESS** – An enterprise, activity, profession, or undertaking of any nature conducted for profit or ordinarily conducted for profit, whether by an individual, partnership, association, corporation, or any other entity, including but not limited to the renting or leasing of property, real, personal or mixed.

**CORPORATION** – A corporation or joint stock association organized under the laws of the United States, the State of Ohio, or any other state, territory, foreign country, or dependency.

**DOMICILE** – means a principle residence that the taxpayer intends to use for an indefinite time and to which whenever he is absent he intends to return. A taxpayer has only one domicile even though he may have more than one residence.

**EMPLOYEE** – One who works for wages, salary, commissions, or other types of compensation in the services of any employer.

**EMPLOYER** – An individual, partnership, association, corporation, governmental body, unit, or agency, or any other entity, whether or not organized for profit, who or that employs one or more persons on a salary, wage, commission, or other compensation basis.

**FISCAL YEAR** – An accounting period of 12 months ending on any day other than December 31.

**FORM 2106** – means Internal Revenue Service Form 2106 filed by a taxpayer pursuant to the Internal Revenue Code.

**GENERIC FORM** – means an electronic or paper form designed for reporting estimated municipal income taxes and annual municipal income tax liability or for filing a refund claim that is not prescribed by a particular municipal corporation for the reporting of that municipal corporation’s tax on income.

**GROSS RECEIPTS** – Total income of taxpayers from whatever source derived.

**INCOME FROM A PASS-THROUGH ENTITY** – means partnership income of partners, membership interest of members of a limited liability company, distributive shares of shareholders of an S corporation, or other distributive or proportionate ownership shares of income from other pass-through entities.

**INTANGIBLE INCOME** – Income of any of the following types: income yield, interest, capital gains, dividends, or other income arising from the ownership, sale, exchange, or other disposition of intangible property including, but not limited to, investments, deposits, money, or credits as those terms are defined in Chapter 5701 of the Ohio Revised Code, and patents, copyrights, trademarks, trade names, investments in real estate investment trusts, investments in regulated investment companies, and appreciation on deferred compensation. “Intangible income” does not include prizes, awards, or other income associated with any lottery winnings or other similar games of chance.

**INTERNAL REVENUE CODE** – means the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended.

**INTERNET** – means the international computer network of both federal and nonfederal interoperable packet switched data networks, including the graphical sub network known as the World Wide Web.

**JOINT ECONOMIC DEVELOPMENT DISTRICT** – means districts created under the Ohio Revised Code sections 715.70 through 715.83 as amended from time to time.

**LIMITED LIABILITY COMPANY** – means a limited liability company formed under Chapter 1705 of the Ohio Revised Code or under the laws of another state.

**MUNICIPALITY** – A municipal corporation including the City of Monroe, Ohio.

**NET PROFITS** – for a taxpayer other than an individual means adjusted federal taxable income and net profit for a taxpayer who is an individual means the individual's profit, other than amounts described in section 886.07, required to be reported on Schedule C, Schedule E or Schedule F.

**NON-QUALIFIED DEFERRED COMPENSATION PLAN** – means a compensation plan described in Section 3121 (v)(2)(C) of the Internal Revenue Code.

**NON-RESIDENT** – an individual domiciled outside the Municipality.

**NON-RESIDENT INCORPORATED BUSINESS ENTITY** – means an incorporated business entity not having an office or place of business within the Municipality.

**NON-RESIDENT UNINCORPORATED BUSINESS ENTITY** – means an unincorporated business entity not having an office or place of business within the Municipality.

**OTHER PAYER** – means any person, other than the individual's employer or the employer's agent, that pays an individual any amount included in the federal gross income of the individual.

**OWNER** – means a partner of a partnership, a member of a limited liability company, a shareholder of an S corporation, or other person with an ownership interest in a pass-through entity.

**OWNERS PROPORTIONATE SHARE** – with respect to each owner of a pass-through entity, means the ratio of (a) the owner's income from the pass-through entity that is subject to taxation by the municipal corporation, to (b) the total income from that entity of all owners whose income from the entity is subject to taxation by that municipal corporation.

**PASS THROUGH ENTITY** – means a partnership, Limited Liability Company, S Corporation, or any other class of entity the income or profits from which are given pass-through treatment under the Internal Revenue Code.

**PERSON** – includes individuals, firms, companies, business trusts, estates, trusts, partnerships, limited liability companies, associations, corporations, governmental entities, and any other entity.

**PLACE OF BUSINESS** – Any bona fide office (other than a mere statutory office), factory, warehouse, or other space which is occupied and used by the taxpayer in carrying on any business activity, individually or through one or more of his employees regularly in attendance.

**PRINCIPAL PLACE OF BUSINESS** – means in the case of an employer having headquarters' activities at a place of business within a taxing municipality, the place of

business at which the headquarters is situated. In the case of any employer not having its headquarters' activities at a place of business within a taxing municipality, the terms means the largest place of business located in a taxing municipality.

**QUALIFIED PLAN** – means a retirement plan satisfying the requirements under Section 401 of the Internal Revenue Code as amended.

**QUALIFYING WAGES** – means wages, as defined in Section 3121 (a) of the Internal Revenue Code, without regard to any wage limitations, adjusted in accordance with Section 718.03(A) of the Ohio Revised Code.

**RESIDENT** – means an individual domiciled in the Municipality

**RESIDENT INCORPORATED BUSINESS ENTITY** – means an incorporated business entity whose office, place or operations or business is within the Municipality.

**RESIDENT UNINCORPORATED BUSINESS ENTITY** – means an unincorporated business entity having an office or place of business within the Municipality.

**RETURN PREPARER** – means any person other than a taxpayer that is authorized by the taxpayer to complete or file an income tax return, report, or other document for or on behalf of the taxpayer.

**RULES AND REGULATIONS** – means the Rules and Regulations as set forth in this Chapter.

**SCHEDULE C** – means Internal Revenue Service Schedule C filed by a taxpayer pursuant to the Internal Revenue Code.

**SCHEDULE E** – means Internal Revenue Service Schedule E filed by a taxpayer pursuant to the Internal Revenue Code.

**SCHEDULE F** – means Internal Revenue Service Schedule F filed by a taxpayer pursuant to the Internal Revenue Code.

**S CORPORATION** – means a corporation that has made an election under subchapter S of Chapter 1 of Subtitle A of the Internal Revenue Code for its taxable year.

**TAX COMMISSIONER** – means the person appointed to administer the Municipality's Income Tax Ordinance and to direct the operation of the Municipal Income Tax Department or the person executing the duties of the Tax Commissioner.

**TAXABLE INCOME** – means qualifying wages paid by an employer or employers, compensation for personal services, other income defined by statute as taxable, and/or adjusted federal taxable income from the operation of a business, profession, or other enterprise or activity adjusted in accordance with the provisions of this Chapter.

**TAXABLE YEAR** – means the corresponding tax reporting period as prescribed for the taxpayer under the Internal Revenue Code.

**TAXING MUNICIPALITY** – means a municipality levying a tax on income earned by non-residents working within such municipality or on income earned by its residents.

**TAXPAYER** – means a person subject to a tax on income levied by a municipal corporation. Taxpayer does not include any person that is a disregarded entity or a qualifying subchapter S subsidiary for federal income tax purposes, but taxpayer includes any other person who owns the disregarded entity or qualifying subchapter S subsidiary.

## **IMPOSITION OF TAX**

### **SECTION 886.03 BASIS OF IMPOSITION**

A. Subject to provisions of Chapter 886.01, an annual tax shall be, and is hereby, levied on and after July 1, 1993, at the rate of one percent (1%) per annum and after July 1, 2006, at the rate of one and one half percent (1.5%) per annum upon the following:

1. On all qualifying wages, commissions, other compensation, and other taxable income earned or received by residents of the Municipality;
2. On all qualifying wages, commissions, other compensation, and other taxable income earned or received by non-residents for work done, or services performed or rendered, in the Municipality;
3. On the portion attributable to the Municipality of the net profits earned by all resident unincorporated businesses, pass-through entities, professions or other activities, derived from work done or services performed or rendered, and business or other activities conducted in the Municipality. On the portion of the distributive share of the net profits earned by a resident owner of a resident unincorporated business entity or pass-through entity not attributable to the Municipality and not levied against the such unincorporated business entity or pass-through entity;
4. On the portion attributable to the Municipality on the net profits by all non-resident unincorporated businesses, pass-through entities, professions or other activities, derived from work done or services performed or rendered and business or other activities conducted in the Municipality, whether or not such unincorporated business entity has an office or place of business in the Municipality. On the portion of the distributive share of the net profits earned by a resident owner of a non-resident unincorporated business entity or pass-through entity not attributable to the Municipality and not levied against such unincorporated business entity or pass-through entity;
5. On the portion attributable to the Municipality of the net profits earned by all corporations that are not pass-through entities from work done or services performed or rendered and business or other activities conducted in the Municipality, whether or not such corporations have an office or place of business in the Municipality; AMD

6. On all income received as gambling winnings as reported on IRS Form W-2G, Form 5754 and/or any other Form required by the Internal Revenue Service that reports winnings from gambling, prizes and lottery winnings.

#### **SECTION 886.04 ALLOCATION OF NET PROFITS**

A. **Businesses Both in and Outside the Municipal Boundaries.** This section does not apply to taxpayers that are subject to and required to file reports under Chapter 5745, of the Ohio Revised Code. Except as otherwise provided in section 886.05, net profit from a business or profession conducted both within and without the boundaries of a municipal corporation shall be considered as having a taxable situs in such municipal corporation for purposes of municipal income taxation in the same proportion as the average ratio of the following:

1. Multiply the entire net profits of the business by a business apportionment percentage to be determined by:

a. The average original cost of the real and tangible personal property owned or used by the taxpayer in the business or profession in such municipal corporation during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated.

As used in the preceding paragraph, real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight.

b. Wages, salaries, and other compensation paid during the taxable period to persons employed in the business or profession for services performed in such municipal corporation to wages, salaries, and other compensation paid during the same period to persons employed in the business or profession, wherever their services are performed, excluding compensation that is not taxable by the municipal corporation under Section 718.011 of the Ohio Revised Code;

c. Gross receipts of the business or profession from sales made and services performed during the taxable period in such municipal corporation to gross receipts of the business or profession during the same period from sales and services, wherever made or performed.

d. Adding together the percentages determined in accordance with subsection A(1)(a), (b), and (c) above, or such of the aforesaid percentages as are applicable to the particular taxpayer, and dividing the total so obtained by the number of percentages used in deriving said total.

e. Exception: For companies (and individuals) located outside the municipality who files just on rental income of property located within the municipality, the only income

taxable to the municipality is the amount reported on Form 8825 or Schedule E for the property located within the municipality. No net profit or loss from rental property located outside of the municipality [for companies (and individuals) located outside the municipality] is taxable to the municipality and cannot be used to increase or reduce the net profit/loss of the property located within the municipality.

1. A factor is applicable even though it may be apportioned entirely in or outside the Municipality.

2. Provided however, in the event a just and equitable result cannot be obtained under the formula provided for herein, the Tax Commissioner, upon application of the taxpayer, shall have the authority to substitute other factors or methods calculated to effect a fair and proper apportionment.

B. As used in division (A) of this section, sales made in a municipal corporation means:

1. All sales of tangible personal property delivered within such municipal corporation regardless of where title passes if shipped or delivered from a stock of goods within such municipal corporation;

2. All sales of tangible personal property delivered within such municipal corporation regardless of where title passes even though transported from a point outside such municipal corporation if the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within such municipal corporation and the sales result from such solicitation or promotion;

3. All sales of tangible personal property shipped from a place within such municipal corporation to purchasers outside such municipal corporation regardless of where title passes if the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.

## **SECTION 886.05 OPERATING LOSS CARRY-FORWARD**

A. The portion of a net operating loss sustained in any taxable year, apportioned to the Municipality, may be applied against the portion of the profit of succeeding tax years apportioned to the Municipality until exhausted, but in no event for more than three (3) 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.

B. The portion of a net operating loss sustained shall be apportioned to the Municipality in the same manner as provided herein for apportioning net profits to the Municipality.

C. The Tax Commissioner shall provide by Rules and Regulations the manner in which such net operating loss carry-forward shall be determined.

D. The net operating loss of a taxpayer that loses its legal identity, by any means such as merger or consolidation, shall not be allowed as a carry forward loss deduction to the surviving or new taxpayer.

E. The net operating loss sustained by a business or profession is not deductible from employee earnings, but may be carried forward as provided in subsection 1. However, if a taxpayer is engaged in two or more taxable business activities to be included in the same return, the net loss of one unincorporated business activity (except any portion of a loss reportable for municipal income tax purposes to another Municipality) may be used to offset the profits of another for purposes of arriving at overall net profits.

### **SECTION 886.06 CONSOLIDATED RETURNS**

A. A consolidated return may be filed by a group of corporations who are affiliated through stock ownership if that affiliated group filed for the same tax period a consolidated return for federal income tax purposes pursuant to section 1501 of the Internal Revenue Code. A consolidated return must include all companies that are so affiliated.

B. Once a consolidated return has been filed for any taxable year, consolidated returns shall continue to be filed in subsequent years unless the applicable requirements of the Rules and Regulations for discontinuing the filing of consolidated returns have been met.

### **SECTION 886.07 EXCLUSIONS**

The provisions of this Chapter shall not be construed as levying a tax upon the following:

A. Proceeds from welfare benefits, unemployment insurance benefits, social security benefits, and qualified retirement plans as defined by the Internal Revenue Service.

B. Proceeds of insurance, annuities, worker's compensation insurance, permanent disability benefits, compensation for damages for personal injury and like reimbursements, not including damages for loss of profits and wages.

C. Dues, contributions and similar payments received by charitable, religious, educational organizations, or labor unions, trade or professional associations, lodges and similar organizations.

D. Gains from involuntary conversion, cancellation of indebtedness, interest on federal obligations and income of a decedent's estate during the period of administration (except such income from the operation of a business).

E. Alimony.

F. Compensation for damage to property by way of insurance or otherwise.

G. Interest and dividends from intangible property.

H. Military pay or allowances of members of the Armed Forces of the United States and of members of their reserve components, including the Ohio National Guard (ORC 718.01).

I. Income of any charitable, educational, fraternal or other type of non-profit association or organization enumerated in Ohio Revised Code 718.01 to the extent that such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property, or tax-exempt activities.

J. Any association or organization falling in the category listed in the preceding paragraph receiving income from non-exempt real estate, tangible or intangible personal property, or business activities of a type ordinarily conducted for profit by taxpayers operating for profit shall not be excluded hereunder.

K. In the event any association or organization receives taxable income as provided in the preceding paragraph from real or personal property ownership or income producing business located both within and without the corporate limits of the Municipality, it shall calculate its income apportioned to the Municipality under the method or methods provided above.

L. If exempt for federal income tax purposes, fellowship and scholarship grants are excluded from Municipal income tax.

M. The rental value of a home furnished to a minister of the gospel as part of his compensation, or the rental allowance paid to a minister of the gospel as part of his compensation, to the extent used by him to rent or provide a home pursuant to section 107 of the Internal Revenue Code.

N. Compensation paid under section 3501.28 or 3501.36 of the Ohio Revised Code to a person serving as a precinct official, to the extent that such compensation does not exceed one thousand dollars (\$1,000) annually. Such compensation in excess of one thousand dollars may be subjected to taxation. The payer of such compensation is not required to withhold Municipal tax from that compensation.

O. Compensation paid to an employee of a transit authority, regional transit authority, or a regional transit commission created under Chapter 306 of the Ohio Revised Code for operating a transit bus or other motor vehicle for the authority or commission in or through the Municipality, unless the bus or vehicle is operated on a regularly scheduled route, the operator is subject to such tax by reason of residence or domicile in the Municipality, or the headquarters of the authority or commission is located within the Municipality.

P. The Municipality shall not tax the compensation paid to a non-resident individual for personal services performed by the individual in the Municipality on twelve (12) or fewer days in a calendar year unless one of the following applies:

1. The individual is an employee of another person, the principal place of business of the individual's employer is located in another Municipality in Ohio that imposes a tax applying to compensation paid to the individual for services paid on those days; and the individual is not liable to that other Municipality for tax on the compensation paid for such services.
2. The individual is a professional entertainer or professional athlete, the promoter of a professional entertainment or sports event, or an employee of such promoter, all as may be reasonably defined by the Municipality.

Q. The income of a public utility, when that public utility is subject to the tax levied under section 5727.24 or 5727.30 of the Ohio Revised Code, except a municipal corporation may tax the following, subject to Chapter 5745 of the Ohio Revised Code:

1. The income of an electric company or combined company;
2. The income of a telephone company.

As used in division (Q) of this section, combined company electric company and telephone company have the same meanings as in section 5727.01 of the Ohio Revised Code.

R. An S corporation shareholder's distributive share of net profits of the S corporation, other than any part of the distributive share of net profits that represents wages as defined in section 3121 (a) of the Internal Revenue Code or net earnings from self-employment as defined in section 1402(a) of the Internal Revenue Code, to the extent such distributive share would not be allocated or apportioned to this state under division (B)(1) and (2) of section 5733.05 of the Ohio Revised Code if the S corporation were a corporation subject to the taxes imposed under Chapter 5733 of the Ohio Revised Code.

S. Generally the above noted items in this section are the only forms of income not subject to the tax. Any other income, benefits, or other forms of compensation shall be taxable.

## **SECTION 886.08 EFFECTIVE PERIOD**

The tax imposed by this chapter shall be levied, collected, and paid with respect to the salaries, wages, commissions and other compensation earned and shall be levied with respect to the net profits of the businesses, profession or other activities earned from and after the effective date of this Tax Code.

## **RETURN AND PAYMENT OF TAX**

### **SECTION 886.09 DATES AND EXEMPTIONS**

Each person who engages in business or other activity or whose qualifying wages, commissions, other compensation, and other taxable income is subject to the tax imposed by this Tax Code, shall, whether or not a tax be due thereon, make and file a return on or before April 15 of the year following the effective date of this Tax Code, and on or before April 15 of each year thereafter. When the return is made for a fiscal year or other period different from the calendar year, the return shall be filed on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the end of such fiscal year or period. The Tax Commissioner is hereby authorized to provide by regulation that the return of an employer or employers, showing the amount of Municipal tax deducted by said employer or employers from the qualifying wages, commissions, other compensation, and other taxable income of an employee, and paid by him or them to the Tax Commissioner may be accepted as the return required of any employee whose sole income, subject to tax under this Tax Code, is such qualifying wages, commissions, other compensation, and other taxable income. Any taxpayer who is fully retired and without taxable income under this chapter need only to file a return with this Municipality in the year 2000 and every subsequent third tax year thereafter.

### **SECTION 886.10 RETURNS AND CONTENTS THEREOF**

- A. Wording for Mandatory Filing. On or before April 15 of each year, every resident subject to the provisions of section 886.03, (1) through (6) inclusive, of the Ordinance shall, except hereinafter provided, make and file with the Tax Commissioner a Municipal tax return on a form prescribed by and acceptable to the Tax Commissioner, whether or not a tax is due. When the return is made for a fiscal year or other period different from the calendar year, the return shall be filed on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the end of such fiscal year or period. The Tax Commissioner is hereby authorized to provide by regulation that the return of an employer or employers, showing the amount of Municipal tax deducted by said employer or employers from the qualifying wages, commissions, other compensation, and other taxable income of a non-resident employee, and paid by him or them to the Tax Commissioner may be accepted as the return required of a non-resident employee whose sole income, subject to tax under this Tax Code, is such qualifying wages, commissions, other compensation, and other taxable income.
- B. A husband and wife may file either separate returns or a joint return for municipal purposes, even though one of the spouses has neither taxable income nor deductions included on the Municipal return regardless of whether their federal and state returns were filed separately or jointly. If a joint city return is made, the tax shall be computed on the aggregate taxable income and the liability with respect to the tax shall be joint and several.
- C. The return shall be filed with the Tax Commissioner on a form or forms furnished

by or obtainable upon request from the Tax Commissioner; or on a generic form, if the generic form, when completed and filed, contains all of the information required to be submitted with the Municipality's prescribed return and, if the taxpayer or return preparer filing the generic form otherwise complies with the Tax Code governing the filing of returns.

D. The return shall set forth:

1. The aggregate amounts of qualifying wages, commissions, other compensation received, allocated, apportioned or set aside, other income defined by statute as taxable, and gross income from any business, profession or other activity, less allowable expenses incurred in the acquisition of such gross income earned during the preceding year and subject to said tax;
2. The amount of the tax imposed by this Tax Code on such earnings and profits;
3. Such other pertinent statements, information returns, copies of federal or state tax returns and/or schedules, or other information as the Tax Commissioner may require, including a statement that the figures used in the return are the figures used for federal income tax adjusted to set forth only such income as is taxable under the provisions of this Chapter.

E. 1. Any taxpayer that has requested an extension for filing a federal income tax return may request an extension for filing of a Municipal Income Tax Return by filing a copy of the taxpayer's federal extension request with the Municipal Tax Division. Any taxpayer not required to file a federal income tax return may request an extension for filing a Municipal Income Tax Return in writing. The request for extension must be filed on or before the original due date for the annual return. If the request is granted, the extended due date of the Municipal Income Tax Return shall be the last day of the month following the month to which the due date of the federal income tax return has been extended.

2. The Tax Commissioner may deny a taxpayer's request for extension if the taxpayer:

- a. fails to timely file the request; or
- b. fails to file a copy of the federal extension request; or
- c. owes the Municipality any delinquent income tax, penalty, interest or other charge for the late payment or non-payment of income tax; or
- d. has failed to file any required income tax return, report, or other related document for a prior tax period.

3. The granting of an extension for filing a Municipal tax return does not extend the due date as provided in this section for payment of the tax; hence, penalty and interest may apply to any unpaid tax during the period of extension at the rate set out by section 886.25. No penalty shall be assessed in those cases in which the return is filed and the final tax paid within the extension period provided all other filing and payment requirements of the Tax Code have been met. Any extension

by the Tax Commissioner shall be granted upon the condition that declaration filing and payment requirements have been fulfilled; however, if upon further examination it then becomes evident that declaration filing and payment requirements have not been fulfilled, penalty and interest may be assessed in full and in the same manner as though no extension had been granted.

## **SECTION 886.11 PAYMENT WITH RETURNS**

A. The taxpayer making a return shall at the time of the filing thereof pay to the Tax Commissioner the amount of taxes shown as due. However, credit shall be allowed for:

1. Any portion of the tax so due which shall have been deducted at the source pursuant to the provisions of section 886.13; and
2. Any portion of said tax which shall have been paid by the taxpayer pursuant to the provisions of section 886.17; and
3. Credit to the extent allowed by section 886.19 for tax paid to another Municipality.

B. Subject to the limitation contained in section 886.03 of this Tax Code, any taxpayer who has overpaid the amount of tax to which the Municipality is entitled under the provisions of this Tax Code may have such overpayment applied against any subsequent liability hereunder or, at his election indicated on the return, such overpayment (or part thereof) shall be refunded, provided that no additional taxes or refunds of less than five dollars (\$5) shall be collected or refunded.

## **SECTION 886.12 AMENDED RETURNS**

A. Where necessary, an amended return must be filed in order to report additional income and pay any additional tax due, or claim a refund of tax overpaid, subject to the requirements and/or limitations contained in section 886.03. The Tax Commissioner shall provide by regulation the format in which such amended return shall be filed. A taxpayer may not change the method of accounting or apportionment of net profits after the due date for filing the original return.

B. Within three months (3) from the final determination of any federal tax liability affecting the taxpayer's Municipal tax liability, such taxpayer shall make and file an amended Municipal return, showing income subject to the Municipal tax based upon such final determination of federal tax liability, and pay any additional tax shown thereon, or make claim for refund of any overpayment.

## COLLECTION AT SOURCE

### SECTION 886.13 WITHHOLDING BY EMPLOYER

A. Each employer within, or doing business within, the Municipality who employs one or more persons on a salary, wage, commission, or other compensation basis shall deduct, when such salary, wages, commission, or other compensations paid, allocated, apportioned or set aside, the tax at the rate provided in section 886.03 hereof on the qualifying wages due by the employer to each employee, and shall, on or before the fifteenth (15<sup>th</sup>) day of the month following such withholding, make a return and pay to the Tax Commissioner the amount of taxes so deducted. The return shall be on a form or forms prescribed by or acceptable to the Tax Commissioner and shall be subject to the Rules and Regulations prescribed by the Tax Commissioner. Such employer shall be liable for the payment of the tax required to be deducted and withheld, whether or not such taxes have in fact been withheld.

B. An employer is not required to make any withholding with respect to an individual's disqualifying disposition of an incentive stock option if, at the time of the disqualifying disposition, the individual is not an employee of the corporation with respect to whose stock the option has been issued.

- C. 1. An employee is not relieved from liability for a tax by the failure of the employer to withhold the tax as required by a municipal corporation or by the employer's exemption from the requirements to withhold the tax.
2. The failure of an employer to remit to the municipal corporation the tax withheld relieves the employee from liability for that tax unless the employee colluded with the employer in connection with the failure to remit the tax withheld.

D. Compensation deferred before the effective date of this amendment is not subject to any municipal corporation income tax or municipal income tax withholding requirement to the extent the deferred compensation does not constitute qualifying wages at the time the deferred compensation is paid or distributed.

E. So long as the taxes withheld by an employer for the Municipality during the measurement period are less than three hundred dollars (\$300) per month, payments may be made quarterly on or before the fifteenth (15<sup>th</sup>) day of the month following the end of each quarter, subject to the approval of the Tax Commissioner. The Tax commissioner may revoke the approval of quarterly filing and payments whenever the Tax Commissioner has reason to believe that the conditions for granting such authorization have changed, were judge incorrectly, were not met, or when it is in the best interest of the Municipality to do so. Notice of withdrawal shall be made in writing and, in such case; the employer must begin to file in accordance with this section.

## **SECTION 886.14 EMPLOYER CONSIDERED AS TRUSTEE**

A. Each employer in collecting said tax shall be deemed to hold the same, until payment is made by such employer to the Municipality, as a trustee for the benefit of the Municipality; and any such tax collected by such employer from his employees shall, until the same is paid to the Municipality, be deemed a trust fund in the hands of such employer. Each employer shall be liable for the payment of the tax required to be deducted and withheld, whether or not such tax in fact, has been withheld.

B. Any person who is required to withhold tax from qualifying wages shall pay all such tax to the Municipality in accordance with the provisions of this section. In the event taxes withheld from the qualifying wages of employees are not paid to the Municipality in accordance with the provisions of this section, all officers, members, managers, employees, and trustees have control or supervision of or charged with the responsibility of filing the return and making payments are jointly and severally personally liable for the tax not returned or paid to the Municipality as well as any related interest and penalties, and are also liable under the provisions of section 886.12 hereof. The dissolution, termination, or bankruptcy of a corporation, limited liability company, or business trust does not discharge an officer's, member's, manager's, employee's, or trustee's liability for a failure of the corporation, limited liability company, or business trust to file returns or pay said taxes.

## **SECTION 886.15 EMPLOYEES' LISTINGS**

A. Each employer shall file a withholding tax reconciliation showing the sum total of all compensation paid to all employees, the portion of which, (if any) was not subject to withholding along with an explanation for same, and the portion of which was subject to withholding, together with the amount of such withholdings remitted. Such return shall include information concerning each employee from whom the Municipal tax was withheld, showing the name, address, zip code and social security number of each such employee, the total amount of compensation paid during the year and the amount of Municipal tax withheld. If the total tax withheld from any employee included tax withheld and remitted to another municipality, the amount of same shall be separately shown on the return of the information to the Municipality concerning each employee. The withholding tax reconciliation shall be filed by each employer on or before February 28 following the end of such calendar years.

B. In addition to the wage reporting requirements of this section, any person required by the Internal Revenue Service to report on Form 1099-Misc. payments to individuals not treated as employees for services performed shall also report such payments to the Municipality when the services were performed in the Municipality. The information may be submitted on a listing, and shall include the name, address and social security number (or federal identification number), and the amount of the payments made. Federal form(s) 1099 may be submitted in lieu of such listing. The information shall be filed annually on or before February 28 following the end of such calendar years.

## **SECTION 886.16 DOMESTIC SERVANTS**

No person shall be required to withhold the tax on the qualifying wages, commissions, other compensation, and other taxable income paid domestic servants employed exclusively in or about such person's residence. However, domestic servants shall be responsible for filing and paying their own returns and taxes.

## **DECLARATIONS**

### **SECTION 886.17 REQUIREMENT FOR FILING**

Every person who anticipates any taxable income which is not subject to section 886.13 or engages in any business, profession, enterprise, or activity, shall file a declaration setting forth such estimated income or the estimated profit or loss from such business activity, together with the estimated tax due thereon, if any. Provided, however, if a person's income is wholly from qualifying wages from which the tax will be withheld and remitted to this Municipality in accordance with sections 886.13, such person need not file a declaration.

### **SECTION 886.18 DATES FOR FILING**

A. Such declaration shall be filed on or before April 15 of each year during the life of this Chapter, or on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the date the taxpayer becomes subject to tax for the first time.

B. Those taxpayers having a fiscal year or period differing from the calendar year shall file a declaration on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the start of each fiscal year or period.

### **SECTION 886.19 FORMS: CREDIT FOR TAX WITHHELD OR PAID ANOTHER MUNICIPALITY**

A. Such declaration shall be filed upon a form furnished by or obtainable from the Tax Commissioner or an acceptable generic form, and credit shall be taken for the Municipal tax to be withheld from any portion of such income. In accordance with the provision of section 886.19, credit may be taken for tax to be withheld and remitted to another taxing municipality.

B. The original declaration (or any subsequent amendment thereof) may be increased or decreased on or before any subsequent quarterly payment date as provided for herein.

C. For taxpayers who are individuals, such declaration of estimated tax to be paid the Municipality shall be accompanied by a payment of at least one-fourth of the estimated annual tax and at least a similar amount shall be paid on or before the last day of the seventh, tenth and thirteenth months after the beginning of the taxable year.

D. For taxpayers that are not individuals, such declaration of estimated tax to be paid the Municipality shall be accompanied by a payment of at least one-fourth of the estimated annual tax and at least a similar amount shall be paid on or before the last day of the seventh, tenth and thirteenth months after the beginning of the taxable year.

E. The mere submission of a declaration estimating a tax liability shall not constitute filing unless accompanied by the required payment.

#### **SECTION 886.20 AMENDED DECLARATION**

A. A declaration may be amended at any time.

B. In the event that an amended declaration has been filed, the unpaid balance shown due thereon shall be paid in equal installments on or before the remaining payment dates.

#### **SECTION 886.21 ANNUAL RETURN REQUIRED**

On or before the last day of the fourth month of the calendar or fiscal year, an annual return shall be filed and any balance which may be due the Municipality shall be paid therewith in accordance with the provisions of section 886.03.

### **APPOINTMENT AND DUTIES OF THE TAX COMMISSIONER**

#### **SECTION 886.22 APPOINTMENT OF TAX COMMISSIONER**

The Tax Commissioner shall be appointed by the Finance Director (Treasurer) and confirmed by a majority vote of Council, except that in the event the Finance Director (Treasurer) fails to so appoint a person as Tax Commissioner after a vacancy in such office for thirty days or more, Council may appoint someone to such office by a majority vote. The Finance Director (Treasurer) may remove the Tax Commissioner from office, without cause, with the affirmative vote of six (6) members of Council, or the Commissioner of Taxation may be removed from office, without cause, by the affirmative vote of six (6) members of Council, without the consent of the Finance Director (Treasurer). The salary of the Tax Commissioner shall be fixed by resolution of Council and may be increased or decreased by Council at any time. Any contract for services with the Tax Commissioner shall be approved by resolution of Council.

#### **SECTION 886.23 COLLECTION AND MAINTENANCE RESPONSIBILITIES**

- A. 1. It shall be the duty of the Tax Commissioner to collect and receive the tax imposed by this Chapter in the manner prescribed therein, to keep an accurate record thereof, and to report all monies so received.
2. It shall be the duty of the Tax Commissioner to enforce payment of all income

taxes owing the Municipality, to keep accurate records for a minimum of six (6) years, showing the amount due from each taxpayer required to file a declaration or make any return, including a return of taxes withheld, and to show the dates and amounts of payments thereof.

B. The Tax Commissioner is hereby charged with the enforcement of the provisions of this Chapter, including the interpretation and enforcement of the Rules and Regulations. And is hereby empowered, subject to the approval of the Board of Review, to adopt and promulgate and to enforce rules and regulations relating to any matter or thing pertaining to the collection of taxes and the administration and enforcement of the provisions of this Chapter, including provisions for the re-examination and correction of returns.

C. In any case where a taxpayer has failed to file a return or has filed a return which does not show the proper amount of tax due, the Tax Commissioner may determine the amount of tax appearing to be due to the Municipality from the taxpayer and may send to such taxpayer a written statement showing the amount of tax so determined together with interest and penalties thereon, if any.

D. Subject to the consent of a majority of the Board of Review, the Tax Commissioner shall have the power to compromise any liability by this Tax Code.

E. Upon the demonstration and documentation of good cause, the Tax Commissioner shall have the power to compromise penalty and interest liabilities imposed by this Chapter, consistent with this Chapter and the Rules and Regulations.

#### **SECTION 886.24 INVESTIGATIVE POWERS OF TAX COMMISSIONER; PENALTY FOR DIVULGING CONFIDENTIAL INFORMATION**

A. The Tax Commissioner, or any of his authorized agents, is authorized to examine the books, papers, records, and federal income tax returns of any employer, taxpayer, or any person subject to, or whom the Tax Commissioner believes is subject to, the provisions of this chapter, for the purpose of verifying the accuracy of any return made, or if no return was made, to ascertain the tax or withholding due under this Chapter. Every such employer, supposed employer, taxpayer, or supposed taxpayer is hereby directed and required to furnish, on written request of the Tax Commissioner, or his duly authorized agent or employee, the means, facilities and opportunities for making such examinations and investigations as are hereby authorized.

B. The Tax Commissioner is authorized to order any person, presumed to have knowledge of the facts, to appear at the office of the Tax Commissioner, and to examine such person, under oath, concerning any income which was or should have been returned for taxation or withheld, or any transaction tending to affect such income, and for this purpose may compel the production of books, papers, records, and federal income tax returns, and the attendance of all persons before him, whether as parties or witnesses, whenever he believes such persons have knowledge of such income or information pertinent to such inquiry.

C. The refusal to produce books, papers, records, or federal income tax returns, or the refusal to submit to such examination by any employer or person subject, or presumed to be subject, to the tax or by any officer, agent, or employee of a person subject to the tax or required to withhold tax, or the failure of any person to comply with the provisions of this section or with an order or subpoena of the Tax Commissioner authorized hereby, shall be deemed in violation of this chapter punishable as provided in section 886.26.

D. Every taxpayer shall retain all records necessary to compute his tax liability for a period of six (6) years from the date of his return is filed or the taxes required to be withheld are paid.

### **SECTION 886.25 CONFIDENTIAL NATURE OF INFORMATION**

A. Any information gained as a result of any returns, investigations, hearings, or verifications required or authorized by this Chapter shall be confidential, and no person shall disclose such information except in accordance with a proper judicial order or in connection with the performance of that person's official duties or the official business of the municipal corporation as authorized by this Chapter. The Tax Commissioner of the municipal corporation may furnish copies of returns filed under this Chapter to the Internal Revenue Service and to the State Tax Commissioner.

B. Any person divulging such information shall be guilty of a misdemeanor punishable by a maximum fine of five hundred dollars (\$500.00) or imprisonment for not more than six (6) months, or both.

C. In addition to the above penalty, any employee of the Municipality who violates the provisions of this section relative to the disclosure of confidential information shall be guilty of an offense punishable by immediate dismissal.

### **SECTION 886.26 INTEREST AND PENALTIES**

A. All taxes imposed and monies withheld or required to be withheld by employers under the provisions of this Tax Code and remaining unpaid five (5) days after they become due shall bear interest at the same rate which section 718.12 of the Ohio Revised Code of Ohio requires be paid by municipalities on their income tax refunds, i.e., the federal short-term rate as defined in section 5703.47 of the Ohio Revised Code, plus one percent (1%) per year.

B. In addition to interest as provided in Paragraph (A) hereof, penalties are hereby imposed as follows based on the tax remaining unpaid after it becomes due:

1. For failure to pay taxes due, other than taxes withheld, three percent (3 %) per month or fraction thereof, or fifty dollars (\$50.00), whichever is greater.
2. For failure to remit taxes withheld or required to be withheld from employees; six percent (6%) per month of fraction thereof, or one hundred dollars (\$100.00),

whichever is greater.

3. Where the taxpayer has failed to file a return with a tax liability by the due date or by the date resulting from extension, two hundred fifty dollars (\$250.00).
4. Where the taxpayer has failed to file a declaration on which he has estimated and paid a tax equal to or greater than the tax paid for the previous year, or where he has filed a previous return and has failed to file a declaration on which he has estimated and paid a tax equal to or greater than ninety percent (90%) of the actual tax for the year, or has failed to file a return and paid the total tax on or before the end of the month following the end of the taxable year; ten percent (10%) of the difference between ninety percent (90%) of the actual for the year and the amount paid through withholding and declaration.
5. No penalty or interest shall be charged against a taxpayer for the late payment or non-payment of estimated tax liability if the taxpayer is an individual who resides in the municipal corporation but was not domiciled there on the first day of January of the current calendar year.
6. Except in the case of fraud, the penalty shall not exceed fifty percent (50%) of unpaid tax.

C. A penalty shall not be assessed on an additional tax assessment made by the Tax Commissioner when a return has been filed in good faith and the tax paid thereon within the time prescribed by the Tax Commissioner; and provided further that, in the absence of fraud, neither penalty nor interest shall be assessed on any additional tax assessment resulting from a federal audit, providing an amended return is filed and the additional tax is paid within three (3) months after the final determination of the federal tax liability.

D. Computed penalties of less than five dollars (\$5.00) for the first violation shall not be assessed. However, notification to the taxpayer of a first time violation will be made.

E. Upon recommendation of the Tax Commissioner, the Board of Review may abate penalty or interest, or both, or upon an appeal from the refusal of the Tax Commissioner to recommend abatement of penalty and interest concerning an item of income or expense, the Board may nevertheless abate penalty or interest, or both.

## **SECTION 886.27 COLLECTION OF UNPAID TAXES AND REFUNDS OF OVERPAYMENTS**

A. All taxes imposed by this chapter shall be collectible, together with any interest and penalties thereon, by suit as other debts of like amount are recoverable. No additional assessments shall be made after three (3) years from the time the tax was due or the return was filed, whichever is later; provided however, there shall be no period of limitation on an additional assessment in a case of a return that omits gross income in excess of twenty-five percent (25%) of that required to be reported or in the case of filing a false or fraudulent return with intent to evade the tax, or in the case of failure to file a

return. In those cases in which the Commissioner of Internal Revenue and the taxpayer have executed a waiver of the federal statute of limitation the period within which an additional assessment may be made by the Tax Commissioner shall be extended one (1) year from the time of the final determination of the federal tax liability.

B. Taxes erroneously paid shall not be refunded unless a claim for refund is made within three (3) years from the date on which such payment was made or the return was due, or within three (3) months after final determination of the federal tax liability, whichever is later.

C. Interest shall be allowed and paid on any overpayment by a taxpayer of any municipal income tax obligation from the date of the overpayment, with the following exception: No interest shall be allowed on any overpayment that is refunded within ninety (90) days after the final filing date of the annual return or ninety (90) days after the complete return is filed, whichever is later. For purposes of computing the payment of interest on overpayments, no amount of tax for any taxable year shall be treated as having been paid before the date on which the tax return for that year was due without regard to any extension of time for filing that return. The interest shall be paid at the rate of interest prescribed by Ohio Revised Code 5703.47.

D. Amounts of less than five dollars (\$5.00) shall not be collected or refunded.

## **SECTION 886.28 VIOLATIONS AND PENALTIES**

A. Except as otherwise provided, any person who shall:

- (1) Fail, neglect, or refuse to make any return or declaration required by this chapter; or
- (2) Make an incomplete, false, or fraudulent return; or
- (3) Fail, neglect, or refuse to pay the tax, penalties, or interest imposed by this chapter; or
- (4) Fail, neglect, or refuse to withhold the tax from his employees and remit such withholding tax to the Tax Commissioner; or
- (5) Refuse to permit the Tax Commissioner or any duly authorized agent or employee to examine his or his employer's book, records, papers, and federal income tax returns; or
- (6) Fail to appear before the Tax Commissioner and to produce his or his employer's books, records, papers, or federal income tax returns, on order or subpoena of the Tax Commissioner; or
- (7) Refuse to disclose to the Tax Commissioner any information with respect to such person's or such person's employer's income or net profits; or

- (8) Willfully give to an employer by an employee false information as to his true name, correct social security number and residence address, or the failure of such employee to promptly notify an employer of any changes in residence address and date thereof; or
- (9) Failure on the part of any employer to maintain proper records of employees' residence addresses, total wages paid and Municipal tax withheld, or to knowingly give the Tax Commissioner false information; or
- (10) Fail to comply with the provisions of this chapter or any order or subpoena of the Tax Commissioner; or
- (11) Willfully fail or willfully refuse to make any payment on the estimated tax for any year or part of any tax year as required by section 886.17; or
- (12) Fail to cause the tax withheld from the qualifying wages of the employees pursuant to this Chapter to be paid to the Municipality in accordance with the provisions of section 886.13; or
- (13) Attempt to do anything to avoid the payment of the whole or any part of the tax, penalties or interest imposed by this Chapter;

for which violation no penalty is otherwise provided, is guilty of a minor misdemeanor on a first offense and shall be fined not more than one hundred dollars (\$100.00); on a second offense within two (2) years after the first offense, such person is guilty of a misdemeanor of the third degree and shall be fined not more than five hundred dollars (\$500.00) or imprisoned not more than sixty (60) days, or both, for each offense; on each subsequent tax code violation within two (2) years after the first offense such person is guilty of a misdemeanor of the third degree, and punished as provided for herein.

B. All prosecutions under this section must be commenced within the time specified in the Ohio Revised Code 718.12.

C. The failure of any employer or taxpayer or person to receive or procure a return, declaration or other required from shall not excuse him from making any information return or declaration, from filing such form or from paying the tax

D. 1. Civil actions to recover municipal income taxes and penalties and interest on municipal income taxes shall be brought within three (3) years after the tax was due or the return was filed, whichever is later.

2. Prosecutions for an offense made punishable under this chapter shall be commenced within three (3) years after the commission of the offense, provided that in the case of fraud, failure to file a return, or the omission of twenty-five percent (25%) or more of income required to be reported, prosecutions may be commenced within six years after the commission of the offense.

E. The failure of any employer, taxpayer, or person to receive or procure a return, declaration, or other required form shall not excuse him from making any information return or declaration, from filing such form, or from paying the tax.

F. The term “person” as used in this section shall, in addition to the meaning prescribed in section 886.02, include in the case of an association or corporation not having any partner, member, or officer within the municipality, any employee or agent of such association or corporation who can be found within the corporate limits of the municipality.

## **SECTION 886.29 BOARD OF REVIEW**

A. A Board of Review, consisting of three members, residents of the Municipality, to be appointed by the City Manager and approved by Council, is hereby created and shall be maintained to hear appeals. The members of the Board of Review shall be appointed for a term of three years; however, the members of the first Board of Review shall be appointed for one, two and three years respectively. A majority of the members shall constitute a quorum. The Board shall adopt its own procedural rules and shall keep a record of its transactions. Any hearing by the Board shall be conducted privately and the provisions of section 886.24 with reference to the confidential character of information required to be disclosed by the Chapter shall apply to such matters as may be heard before the Board of Review.

B. All rules and regulations and amendments or changes thereto which are adopted by the Tax Commissioner under the authority conferred by this Chapter, must be approved by the Board of Review before the same become effective. After such approval, such rules, regulations, amendments and changes shall be filed with the (Clerk of Council) and shall be open to public inspection. The Board shall hear and pass on appeals from any ruling or decision of the Tax Commissioner, and, at the request of the taxpayer or Tax Commissioner, is empowered to substitute alternate methods of apportionment.

C. Whenever the Tax Commissioner issues a decision regarding an income tax obligation that is subject to appeal as provided in this section, or in an ordinance or regulation of the Municipality, the Tax Commissioner shall notify the taxpayer in writing at the same time of the taxpayer’s right to decision and of the manner in which the taxpayer may appeal the decision.

D. Any person who is aggrieved by a decision by the Tax Commissioner and who has filed with the Municipality the required returns or other documents pertaining to the municipal income tax obligation at issue in the decision may appeal the decision to the Board of Review by filing a request with the Board. The request shall be in writing, shall state with particularity why the division should be deemed incorrect or unlawful, and shall be filed within thirty (30) days after the Tax Commissioner has issued the decision.

E. The imposition of penalty and interest as prescribed in the codified ordinance of the Municipality is not a sole basis for an appeal.

F. The Board of Review shall schedule a hearing within forty-five (45) days after receiving the request, unless the taxpayer waives a hearing. If the taxpayer does not waive the hearing, the taxpayer may appear before the Board and may be represented by an attorney at law, certified public accountant or other representative.

G. The Board may affirm, reverse, or modify the Tax Commissioner's decision or any part of that decision. The Board shall issue a decision on the appeal within ninety (90) days after the Board's final hearing on the appeal, and send notice of its final decision by ordinary mail to all of the parties to the appeal within fifteen (15) days after issuing the decision. The taxpayer or the Tax Commissioner may appeal the Board's decision as provided in section 5717-011 of the Ohio Revised Code.

H. Each Board of Review created pursuant to this section shall adopt rules governing its procedures and shall keep a record of its transactions. Such records are not public records available for inspection under section 149.43 of the Ohio Revised Code. Hearings requested by a taxpayer before a Board of Review created pursuant to this section are not meetings of a public body subject to section 121.22 of the Ohio Revised Code.

### **SECTION 886.30 INFORMATION BY LANDLORDS**

A. Within thirty (30) days after a new tenant occupies rental property of any kind within the Municipality, all owners of rental property who rent to tenants of apartments; rooms and other rental accommodations shall file with the Tax Commissioner a report showing the name, address and telephone number, if available, of each such tenant who occupies an apartment, room or other rental property within the Municipality.

B. Within thirty (30) days after a tenant vacates an apartment, room or other rental property located within the Municipality, the owner of such vacated rental property shall file with the Tax Commissioner a report showing the date of vacation from the rental property and forwarding address.

C. Any owner of the real estate property who fails to make the report of tenants of the premises under his or her control as required in subsection (B) hereof, shall be fined up to a maximum of one hundred dollars (\$100.00) per unreported tenant.

### **SECTION 886.31 INFORMATION BY CONTRACTORS**

A. At the time a contractor submits an application for a building permit, such contractor shall provide a list of the name and address and the amounts to be paid to any subcontractor or contract employee who will do work on the project for business in the Municipality.

**SECTION 886.32 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY  
OR JOINT ECONOMIC DEVELOPMENT DISTRICT**

A. Where a resident of the Municipality is subject to a municipal income tax in another municipality, he shall not pay a total municipal income tax on the other income greater than the tax imposed at the high rate.

B. Every individual taxpayer who resides in the Municipality who received net profits, salaries, wages, commissions or other personal service compensation for work done or services performed or rendered outside of the Municipality, if it appears that he has paid a municipal income tax on the same income taxable under this Chapter to another municipality, shall be allowed a credit against the tax imposed by this Chapter of the amount so paid by him or on his behalf to such other Municipality. The credit shall not exceed the tax assessed by this Chapter on such income earned in such other municipality or municipalities where such tax is paid.

C. The Municipality shall grant a credit against the tax imposed by this Chapter to every taxpayer who works in a joint economic development zone created under section 715.69 or a joint economic development district created under section 715.70, 715.71, or 715.72 of the Ohio Revised Code. The credit shall not exceed the tax assessed by this Chapter on such income earned in such joint economic development zone or joint economic development district where such tax is paid

**SECTION 886.33 REQUIREMENTS FOR JOINT ECONOMIC  
DEVELOPMENT DISTRICTS**

Specific provisions of this Chapter may be modified as they apply to Joint Economic Development Districts if the modifications are passed by Council in an Ordinance which either specifically approves a Joint Economic Development District contract or specifically amends this Chapter.

**SECTION 886.34 SAVINGS CLAUSE**

This Chapter shall not apply to any person, firm or corporation, or to any property as to whom or which, it is beyond the power of Council to impose the tax herein provided for. Any sentence, clause, section or part of this Chapter, or any tax against or exception granted any individual or any of the several groups of persons, or forms of income specified herein is found to be unconstitutional or illegal or invalid, such unconstitutionality, illegality or invalidity shall affect only such clause, sentence, section or part of this Chapter and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or other parts of this Chapter. It is hereby declared to be the intention of Council of the Municipality that this Chapter would have been adopted has such unconstitutional, illegal or invalid sentence or part thereof, been included herein.