

ORDINANCE NO. 137-07

ORDINANCE TO AMEND CHAPTER 181, INCOME TAX, OF ORDINANCE NO. 166-84, THE CODIFIED ORDINANCES OF FAIRFIELD, OHIO, RELATIVE TO THE CITY OF FAIRFIELD INCOME TAX.

BE IT ORDAINED by the Council of the City of Fairfield, Ohio, that:

Section 1. The following described sections of Chapter 181, Income Tax, of Ordinance 166-84, the Codified Ordinances of Fairfield, Ohio, are hereby amended to read as follows:

181.01 PURPOSE. Note: No change.

181.02 DEFINITIONS. Note: No change.

181.03 IMPOSITION OF TAX.

Note: No change to (a).

Note: No change to (1).

(2) On all taxable income earned, **INCLUDING NON-QUALIFIED DEFERRED COMPENSATION AND SEVERANCE PAY**, as defined herein by nonresidents for work done or services performed or rendered in the City and on all taxable income as defined herein paid by the City of Fairfield, irrespective of where the work was done or services performed or rendered.

Note: No change to (3), (4), or (5).

Note: No change to (b), (c), (d), (e), or (f).

181.04 EFFECTIVE PERIOD. Note: No change.

181.05 RETURN AND PAYMENT OF TAX. Note: No change.

181.06 COLLECTION AT THE SOURCE.

Note: No change to (a), or (b).

(c) **AN EMPLOYER MAY REPORT THE AMOUNT OF MUNICIPAL INCOME TAX WITHHELD FROM QUALIFYING WAGES PAID ON OR AFTER JANUARY 1, 2007, AND MAY REMIT SUCH AMOUNTS, BY USING THE OHIO BUSINESS GATEWAY. EMPLOYERS SHALL MAKE PAYMENT BY ELECTRONIC FUNDS TRANSFER TO THE ADMINISTRATOR OF THE MUNICIPAL INCOME TAXES WITHHELD ON QUALIFYING WAGES. PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFER DOES NOT AFFECT EMPLOYER'S OBLIGATION TO FILE THE RETURN**

**AS REQUIRED UNDER SECTION 181.06(e), EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH.**

**(d) THE ADMINISTRATOR SHALL ADOPT RULES GOVERNING THE REMITTANCE OF WITHHELD MUNICIPAL INCOME TAXES BY ELECTRONIC FUNDS TRANSFER AS REQUIRED BY THIS CHAPTER. THE ADMINISTRATOR MAY GRANT AN EXEMPTION TO AN EMPLOYER FROM THE DUTY TO MAKE PAYMENTS BY ELECTRONIC FUNDS TRANSFER UPON APPLICATION FOR SUCH EXEMPTION BY THE EMPLOYER AND THE EMPLOYER'S DEMONSTRATION TO THE ADMINISTRATOR THAT THE REQUIREMENT TO MAKE PAYMENTS BY ELECTRONIC FUNDS WILL IMPOSE A HARDSHIP UPON THE EMPLOYER. THE ADMINISTRATOR MAY IMPLEMENT MEANS OF ACKNOWLEDGEMENT, UPON REQUEST OF A TAXPAYER, RECEIPT OF ELECTRONIC TAX REMITTANCES. THE PERSON REQUESTING ACKNOWLEDGEMENT SHALL PAY THE COST OF ACKNOWLEDGING RECEIPT OF ELECTRONIC REMITTANCES.**

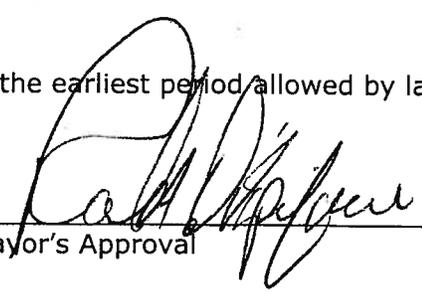
**[(e)](e) On or before February 28, of each year, each employer shall file a withholding return on a form or forms prescribed by, and obtainable from the Administrator, setting forth the names and addresses of all employees from whose compensation the tax was withheld during the preceding calendar year, and the amount of tax withheld from the listed employees, and such other information as may be required by the rules and regulations adopted by the Tax Administrator. EMPLOYERS WHO ARE REQUIRED TO SUBMIT IRS FORM W-2 INFORMATION ELECTRONICALLY FOR FEDERAL TAX PURPOSES SHALL SUBMIT THE INFORMATION REQUIRED BY THE MUNICIPALITY IN ELECTRONIC FORMAT. THE SUBMISSION OF REQUIRED INFORMATION IN AN ELECTRONIC FORMAT DOES NOT AFFECT AN EMPLOYER'S OBLIGATION TO FILE THE RETURNS AS REQUIRED UNDER THIS SECTION, EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH. THE ADMINISTRATOR SHALL ADOPT RULES GOVERNING THE SUBMISSION OF THE INFORMATION REQUIRED BY THIS SECTION. THE ADMINISTRATOR MAY GRANT AN EXEMPTION TO AN EMPLOYER FROM THE DUTY TO SUBMIT THE REQUIRED INFORMATION ELECTRONICALLY UPON APPLICATION FOR SUCH EXEMPTIONS BY THE EMPLOYER AND THE EMPLOYER'S DEMONSTRATION TO THE ADMINISTRATOR THAT THE REQUIREMENT TO SUBMIT SUCH INFORMATION WILL IMPOSE A SUBSTANTIAL HARDSHIP UPON THE EMPLOYER. IN ADDITION TO THE WAGE REPORTING REQUIREMENTS OF THIS SECTION, ANY BUSINESS 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 ADMINISTRATOR WHEN THE SERVICES WERE PERFORMED IN THE MUNICIPALITY. THE INFORMATION MAY BE SUBMITTED ON A LISTING THAT SHALL INCLUDE THE INDIVIDUAL' S NAME, ADDRESS, SOCIAL SECURITY NUMBER (OR FEDERAL IDENTIFICATION NUMBER), AND THE AMOUNTS OF TEE 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 THE CALENDAR YEAR IN WHICH SUCH PAYMENTS ARE MADE.**

~~(d)~~(f) However, no person shall be required to withhold the tax on the wages or other compensation paid to domestic servants employed exclusively in or about the person's residence.

- 181.07 DECLARATIONS. Note: No change.
- 181.06 DUTIES OF THE ADMINISTRATOR. Note: No Change
- 181.09 INVESTIGATIVE POWERS OF THE ADMINISTRATOR; DIVULGING CONFIDENTIAL INFORMATION. Note: No Change
- 181.10 INTEREST AND PENALTIES. Note: No Change
- 181.11 COLLECTION OF UNPAID TAXES; REFUND OF OVERPAYMENTS. Note: No Change.
- 181.12 BOARD OF REVIEW. Note: No Change
- 181.13 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY. Note: No Change
- 181.14 REPORTS REQUIRED ON TENANTS AND LESSEES. Note: No Change
- 181.15 SEVERABILITY. Note: No Change
- 181.99 PENALTY. Note: No Change

Section 2. This ordinance shall take effect at the earliest period allowed by law.

Passed	<u>11-12-07</u>	
Posted	<u>11-13-07</u>	Mayor's Approval
First Reading	<u>10-9-07</u>	Rules Suspended <u>                    </u>
Second Reading	<u>10-22-07</u>	
Third Reading	<u>11-12-07</u>	

ATTEST:

Dena Morsch  
Clerk of Council

This is to certify that this Ordinance has been duly published by posting and summary publication as provided by Charter.

Dena Morsch  
Clerk of Council