

Steve Miller
Mayor

Mark Scharringhausen
Council Member at Large

Chad Oberson
Council Member at Large

Bill Woeste
Council Member at Large



Leslie Besl
Council Member, 1st Ward

Dale Paullus
Councilmember, 2nd Ward

Terry Senger
Councilmember, 3rd Ward

Tim Abbott
Council Member, 4th Ward

**CITY OF FAIRFIELD CITY COUNCIL
REGULAR MEETING AGENDA
MONDAY, DECEMBER 7, 2020 7:00 PM
5350 PLEASANT AVENUE, FAIRFIELD, OH 45014**

Guidelines for Citizen Comments: Thank you for your interest and participation in city government. Fairfield City Council's Guidelines for Citizen Comments describe the rules for addressing City Council. The guidelines are posted in the Council Chambers.

ADA Notice: The City of Fairfield is pleased to provide accommodations to disabled individuals or groups and encourage full participation in city government. Should special accommodations be required, please contact the Clerk of Council at 867-5383 at least 48 hours in advance of the meeting.

- 1. COUNCIL-MANAGER BRIEFING**
 - A. No briefing.
- 2. BUSINESS MEETING CALL TO ORDER**
- 3. PRAYER/PLEDGE OF ALLEGIANCE**
- 4. ROLL CALL**
- 5. AGENDA MODIFICATIONS**
- 6. EXECUTIVE SESSION REQUESTS**
- 7. SPECIAL PRESENTATIONS AND CITIZEN COMMENTS**
 - a. Parade of Lights Awards
- 8. PUBLIC HEARING(S)**
 - a. 2021 Operating Budget Public Hearing
- 9. APPROVAL OF MINUTES**
 - a. Regular Meeting held November 23, 2020
- 10. OLD BUSINESS AND REPORTS**

A. COMMUNITY & PUBLIC RELATIONS COMMITTEE

Dale Paullus, Chair; Leslie Besl, Vice Chair; Terry Senger, Member

B. DEVELOPMENT SERVICES COMMITTEE

Bill Woeste, Chair; Tim Abbott, Vice Chair; Mark Scharringhausen, Member

C. PARKS, RECREATION AND ENVIRONMENT COMMITTEE

Leslie Besl, Chair; Dale Paullus, Vice Chair; Tim Abbott, Member

D. PUBLIC SAFETY COMMITTEE

Mark Scharringhausen, Chair; Terry Senger, Vice Chair; Dale Paullus, Member

E. PUBLIC WORKS COMMITTEE

Chad Oberson, Chair; Mark Scharringhausen, Vice Chair; Bill Woeste, Member

F. PUBLIC UTILITIES COMMITTEE

Terry Senger, Chair; Chad Oberson, Vice Chair; Leslie Besl, Member

G. FINANCE & BUDGET COMMITTEE

Tim Abbott, Chair; Bill Woeste, Vice Chair; Chad Oberson, Member

1. Ordinance to amend Chapter 181, Income Tax, of Ordinance No. 166-84, the Codified Ordinances of Fairfield, Ohio effective January 1, 2021 for tax years 2021 and following.
 - Legislation - Third Reading
 - Motion - Adoption

11. NEW BUSINESS

Motion to read all New Business by title only.

A. PUBLIC WORKS COMMITTEE

Chad Oberson, Chair; Mark Scharringhausen, Vice Chair; Bill Woeste, Member

1. Resolution declaring intent and necessity of the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) and declaring an emergency.
 - Legislation - First Reading
 - Motion - Suspend Second and Third Readings
 - Motion - Adoption

B. FINANCE & BUDGET COMMITTEE

Tim Abbott, Chair; Bill Woeste, Vice Chair; Chad Oberson, Member

1. Ordinance to authorize the City Manager to enter into a contract with CDW Government for the purchase of Microsoft Software Licensing and declaring an emergency.
 - Legislation - First Reading

- Motion - Suspend Second and Third Readings
 - Motion - Adoption
2. An Ordinance to make estimated appropriations for the expenses and expenditures of the City of Fairfield, Ohio during the period beginning January 1, 2021 and ending December 31, 2021.
 - Legislation - First Reading
 - Motion - Suspend Second and Third Readings
 - Motion - Adoption
 3. Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.” - Supplemental Appropriations
 - Legislation - First Reading
 - Motion - Suspend Second and Third Readings
 - Motion - Adoption
 4. Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.”

Contractual Appropriations: \$115,000 for Microsoft Software Licensing

 - Legislation - First Reading
 - Motion - Suspend Second and Third Readings
 - Motion - Adoption
 5. Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.”

Non-Contractual Appropriations: \$93,334 for right of way acquisition (multiple owners); \$19,995 for Village Green Park System/Lighting Upgrades.

 - Legislation - First Reading
 - Motion - Suspend Second and Third Readings
 - Motion - Adoption

12. MEETING SCHEDULE

- A. Monday, December 14 - Council-Manager Briefing 6:00 PM; Regular Meeting 7:00 PM
- B. Monday, January 11 - Council-Manager Briefing 6:00 PM; Regular Meeting 7:00 PM
- C. Monday, January 25 - Council-Manager Briefing 6:00 PM; Regular Meeting 7:00 PM

13. EXECUTIVE SESSION OF COUNCIL (IF NEEDED)

14. ADJOURNMENT



City Council Action Item
Regular Meeting - December 7, 2020

Submitted by: Tiphany Howard,
Submitting Department: Parks

Subject:

Parade of Lights Awards

Legislation Title:

Parade of Lights Awards

Recommendation:

Presentation of award winners for the Parade of Lights.

Rule Suspension Requested:

Emergency Provision Needed:



Fairfield City Council
November 27, 2020

Public Hearing Notice

City of Fairfield Budget Hearing
Proposed 2021 Budget

The City of Fairfield will hold a Public Hearing at 7:00 p.m. on Monday, December 7, 2020 in the Council Chambers of the Fairfield Municipal Building, 5350 Pleasant Avenue, Fairfield, Ohio. The purpose of the hearing is to receive written and oral comments from the public concerning the proposed annual budget for the year 2020 and the use of funds contain in the proposed budget which is summarized below.

A copy of this information, the entire budget and additional background materials are available for public inspection weekdays from 8:00 a.m. to 5:00 p.m. at the Fairfield Municipal Building, 5350 Pleasant Avenue, Fairfield, Ohio, in the offices of the Finance Director and the Clerk of Council.

Alisha Wilson
Clerk of Council

For insertion in the Journal News Friday, November 27, 2020

Attachment: 2021 Operating Budget Hearing Notice (1689 : 2021 Operating Budget Public Hearing)

**City of Fairfield
Minutes
Regular Meeting of City Council
November 23, 2020**

Council-Manager Briefing

A. No briefing.

Business Meeting Call to Order

Mayor Miller called the Regular Meeting to order at 7:00 PM.

Prayer/Pledge of Allegiance

Councilmember Paullus led in prayer and Pledge of Allegiance.

Roll Call

Councilmembers present included:

Attendee Name	Title	Status	Arrived
Mark Scharringhausen	Council Member at Large	Present	
Chad Oberson	Council Member at Large	Present	
Bill Woeste	Council Member at Large	Present	
Leslie Besl	Council Member, 1st Ward	Present	
Dale Paullus	Councilmember, 2nd Ward	Present	
Terry Senger	Councilmember, 3rd Ward	Present	
Tim Abbott	Council Member, 4th Ward	Present	
Steve Miller	Mayor	Present	

Agenda Modifications

None.

Executive Session Requests

Councilmember Abbott, seconded by Councilmember Woeste, moved for Executive Session to discuss the status of collective bargaining with public employees and the employment, compensation, promotion or discipline of a public employee. Motion carried 7-0.

Special Presentations and Citizen Comments

Cindy Broenner, 5281 Boehm Drive, addressed Council regarding the speeding issue on her road and the accident that recently occurred due to speeding. She would like to know what can be done to fix the problem. Mayor Miller referred her to Police Chief Maynard.

Minutes Acceptance: Minutes of Nov 23, 2020 7:00 PM (Approval of Minutes)

Joe Buchheit, 408 Magie Avenue, addressed Council regarding his concerns with the process for reporting a violation of the bus stop sign. He stated that currently nothing is done with the report that the drivers complete for these violations, but he would like to see some action taken on these reports. Mayor Miller referred him to Police Chief Maynard.

Public Hearing(s)

None.

Approval of Minutes

The Regular Meeting Minutes of November 9, 2020 were approved as written and submitted.

OLD BUSINESS AND REPORTS

Community & Public Relations Committee

Dale Paullus, Chair; Leslie Besl, Vice Chair; Terry Senger, Member

Development Services Committee

Bill Woeste, Chair; Tim Abbott, Vice Chair; Mark Scharringhausen, Member

Parks, Recreation and Environment Committee

Leslie Besl, Chair; Dale Paullus, Vice Chair; Tim Abbott, Member

Public Safety Committee

Mark Scharringhausen, Chair; Terry Senger, Vice Chair; Dale Paullus, Member

Public Works Committee

Chad Oberson, Chair; Mark Scharringhausen, Vice Chair; Bill Woeste, Member

Public Utilities Committee

Terry Senger, Chair; Chad Oberson, Vice Chair; Leslie Besl, Member

Finance & Budget Committee

Tim Abbott, Chair; Bill Woeste, Vice Chair; Chad Oberson, Member

Ordinance to amend Chapter 181, Income Tax, of Ordinance No. 166-84, the Codified Ordinances of Fairfield, Ohio effective January 1, 2021 for tax years 2021 and following.

Recommendation:

It is recommended that City Council adopt the changes to Section 181 - Income Tax, as submitted.

Councilmember Abbott presented the second reading of this ordinance.

RESULT: SECOND READING

Next: 12/7/2020 7:00 PM

NEW BUSINESS

Councilmember Besl, seconded by Councilmember Paullus, moved to read all new business by title only. Motion carried 7-0.

Public Safety Committee

Mark Scharringhausen, Chair; Terry Senger, Vice Chair; Dale Paullus, Member

Simple Motion: Motion to not request a hearing regarding a liquor permit application in the name of Bishop Distillery LLC, 1041C Tedia Way, Fairfield, OH 45014 (Permit Class A3A).

Recommendation:

It is recommended that City Council request, by simple motion, that **no hearing be held** on the liquor permit application in the name of Bishop Distillery LLC, 1041C Tedia Way, Fairfield, OH 45014 (Permit Class A3A).

SIMPLE MOTION NO. 19-20. APPROVED 7-0.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mark Scharringhausen, Council Member at Large
SECONDER:	Chad Oberson, Council Member at Large
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Ordinance to adopt new Section 335.091, repeal Sections 533.12 and 537.17 and amend various other sections of the Traffic and General Offenses Codes of Ordinance No. 166-84, the Codified Ordinances of Fairfield, Ohio.

Recommendation:

It is recommended that Council adopt an ordinance to update the Traffic and General Offenses Codes. Suspension of the rules is requested so that the amendments can be effective as soon as possible after state law changes.

ORDINANCE NO. 103-20. APPROVED 7-0.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mark Scharringhausen, Council Member at Large
SECONDER:	Tim Abbott, Council Member, 4th Ward
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Motion to Suspend Second and Third Readings

Councilmember Scharringhausen presented the first reading of this ordinance.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Mark Scharringhausen, Council Member at Large
SECONDER:	Dale Paullus, Councilmember, 2nd Ward
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Finance & Budget Committee

Tim Abbott, Chair; Bill Woeste, Vice Chair; Chad Oberson, Member

Resolution establishing a Northeast Area TIF Fund and the South Town Center TIF Fund and declaring an emergency.

Recommendation:

It is necessary for City Council to pass a resolution in order to establish a Northeast Area TIF Fund and a South Town Center TIF Fund in order to account for all revenue and expenditures

Minutes Acceptance: Minutes of Nov 23, 2020 7:00 PM (Approval of Minutes)

generated by the respective TIF districts.

RESOLUTION NO. 15-20. APPROVED 7-0.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Abbott, Council Member, 4th Ward
SECONDER:	Dale Paullus, Councilmember, 2nd Ward
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Motion to Suspend Second and Third Readings

Councilmember Abbott presented the first reading of this resolution.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Tim Abbott, Council Member, 4th Ward
SECONDER:	Terry Senger, Councilmember, 3rd Ward
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Ordinance to authorize the City Manager to enter into an agreement with Optimal Health Initiatives Consortium, Butler Health Plan, Southwest Division of OHI for Health and Dental Benefit Coverage for City Employees and declaring an emergency.

Recommendation:

It is recommended that Council adopt an ordinance to authorize the City Manager to execute the Agreement with OHI/BHP.

ORDINANCE NO. 104-20. APPROVED 7-0.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Abbott, Council Member, 4th Ward
SECONDER:	Chad Oberson, Council Member at Large
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Motion to Suspend Second and Third Readings

Councilmember Abbott presented the first reading of this ordinance.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Tim Abbott, Council Member, 4th Ward
SECONDER:	Bill Woeste, Council Member at Large
AYES:	Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.” - Supplemental Appropriations

Recommendation:

It is recommended that City Council authorize and direct the preparation of legislation amending the annual operating budget for 2020.

ORDINANCE NO. 105-20. APPROVED 7-0.

Minutes Acceptance: Minutes of Nov 23, 2020 7:00 PM (Approval of Minutes)

RESULT: ADOPTED [UNANIMOUS]
MOVER: Tim Abbott, Council Member, 4th Ward
SECONDER: Bill Woeste, Council Member at Large
AYES: Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Motion to Suspend Second and Third Readings

Councilmember Abbott presented the first reading of this ordinance.

RESULT: CARRIED [UNANIMOUS]
MOVER: Tim Abbott, Council Member, 4th Ward
SECONDER: Dale Paullus, Councilmember, 2nd Ward
AYES: Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.”

Recommendation:

It is recommended that City Council suspend the rules requiring a second and third reading of this Ordinance and adopt the appropriations listed above.

ORDINANCE NO. 106-20. APPROVED 7-0.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Tim Abbott, Council Member, 4th Ward
SECONDER: Dale Paullus, Councilmember, 2nd Ward
AYES: Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Motion to Suspend Second and Third Readings

Councilmember Abbott presented the first reading of this ordinance.

RESULT: CARRIED [UNANIMOUS]
MOVER: Tim Abbott, Council Member, 4th Ward
SECONDER: Bill Woeste, Council Member at Large
AYES: Scharringhausen, Oberson, Woeste, Besl, Paullus, Senger, Abbott

Meeting Schedule

Clerk Wilson read the following meeting schedule:

- A. Monday, December 7 - Council-Manager Briefing, 6:00 PM; Regular Meeting, 7:00 PM
- B. Monday, December 14 - Council-Manager Briefing, 6:00 PM; Regular Meeting, 7:00 PM
- C. Monday, January 11 - Council-Manager Briefing, 6:00 PM; Regular Meeting, 7:00 PM

Executive Session of Council (if needed)

Council recessed to Executive Session at 7:30 PM.

14. ADJOURNMENT

The Regular Meeting adjourned at 8:30 PM.

ATTEST:

Clerk of Council

Mayor's Approval

Date Approved_____

Minutes Acceptance: Minutes of Nov 23, 2020 7:00 PM (Approval of Minutes)



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Scott Timmer, Director of Finance
 Submitting Department: Finance

Subject:

Amendments to the Codified Ordinance Section 181 – Income Tax

Legislation Title:

Ordinance to amend Chapter 181, Income Tax, of Ordinance No. 166-84, the Codified Ordinances of Fairfield, Ohio effective January 1, 2021 for tax years 2021 and following.

Recommendation:

It is recommended that City Council adopt the changes to Section 181 - Income Tax, as submitted.

Background/Synopsis:

Since HB 5, the State of Ohio has passed several pieces of legislation requiring the change of Chapter 718 of the ORC. To remain in compliance with the State of Ohio laws, these changes have been incorporated into the income tax ordinance.

Legislation passed and incorporated into the income tax ordinance includes:

- HB 64 effective 9/29/2015, applicable to municipal taxable years beginning on or after 1/1/2016.
- HB 182 effective 9/13/2016
- SB 172 effective 9/14/2016
- SB 235 effective 3/28/17
- HB 49 effective 9/29/2017, applicable for tax years beginning on or after 1/1/2018.
- HB 133 effective 9/28/2018
- HB 166 effective 10/17/2019, op. for municipal taxable years beginning on or after 1/1/2020
- HB 197 effective 3/27/2020

Financial Impact:

This amendment in Chapter 181 will have no financial impact to the City.

Emergency Provision Explanation:

N/A

Rule Suspension Requested:

No

Emergency Provision Needed:

No

Attachments:

1. Chapter 181 Income Tax-Ord
2. Chapter181_2020-Update

ORDINANCE NO. _____

ORDINANCE TO AMEND CHAPTER 181, INCOME TAX, OF
ORDINANCE NO. 166-84, THE CODIFIED ORDINANCES OF
FAIRFIELD, OHIO EFFECTIVE JANUARY 1, 2021 FOR TAX
YEARS 2021 AND FOLLOWING.

WHEREAS, the Home Rule Amendment of the Ohio Constitution, Article XVIII, Section 3, provides that “Municipalities shall have authority to exercise all powers of local self-government” and the municipal taxing power is one of such powers of local self-government delegated by the people of the State to the people of municipalities; and

WHEREAS, Article XIII, Section 6 of the Ohio Constitution provides that the General Assembly may restrict a municipalities power of taxation to the extent necessary to prevent abuse of such power, and Article XVIII, Section 13 of the Ohio Constitution states that “laws may be passed to limit the powers of municipalities to levy taxes and incur debts for local purposes;” and

WHEREAS, the City income tax ordinance is in need of amendment to clarify its provisions and assure compliance with Chapter 718 of the Ohio Revised Code.

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

Section 1. Chapter 181, Income Tax, of Ordinance No. 166-84, The Codified Ordinances of Fairfield, Ohio, is hereby amended in its entirety effective January 1, 2021 for tax years 2021 and after to read as follows:

See attached Exhibit “A” which is incorporated herein by reference.

Section 2. Existing Chapter 181 and previous versions of Chapter 181, Income Tax, of Ordinance No. 166-84, The Codified Ordinances of Fairfield, Ohio, are specifically not repealed and shall remain in effect for tax years prior to 2021 as they currently apply. Existing Chapter 181 and any other previous versions of Chapter 181 which were not repealed shall not be included in the Codified Ordinances publication but will be made available on the City’s website as necessary for prior tax filings for previous years.

Section 3. This Ordinance shall take effect at the earliest period allowed by law with effective date for the amendment itself as stated in Section 1 above.

Passed	_____	_____
		Mayor's Approval
Posted	_____	
First Reading	_____	Rules Suspended _____
Second Reading	_____	
Third Reading	_____	

ATTEST:

Clerk of Council

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

Clerk of Council

Active Clients\City of Fairfield\Ordinances\2020\Chapter 181 Income Tax-Ord

Attachment: Chapter 181 Income Tax-Ord (1658 : Amendments to the Codified Ordinance Section 181 – Income Tax)

“CHAPTER 181”
Municipal Income Tax
Effective January 1, 2021
For taxable years beginning with taxable year 2021

- 181.01 AUTHORITY TO LEVY TAX; PURPOSES OF TAX; RATE**
- 181.011 AUTHORITY TO LEVY TAX
 - 181.012 PURPOSES OF TAX; RATE
 - 181.013 INTENTIONALLY LEFT BLANK
 - 181.014 STATEMENT OF PROCEDURAL HISTORY; STATE MANDATED CHANGES TO MUNICIPAL INCOME TAX
 - 181.015 ELECTRONIC VERSION OF RULES, ORDINANCES, BLANKS, AND INSTRUCTIONS AVAILABLE ON INTERNET
- 181.02 EFFECTIVE DATE**
- 181.03 DEFINITIONS**
- 181.04 INCOME SUBJECT TO TAX FOR INDIVIDUALS**
- 181.041 DETERMINING MUNICIPAL TAXABLE INCOME FOR INDIVIDUALS
 - 181.042 DOMICILE
 - 181.043 EXEMPTION FOR MEMBER OR EMPLOYEE OF GENERAL ASSEMBLY AND CERTAIN JUDGES
- 181.05 COLLECTION AT SOURCE**
- 181.051 COLLECTION AT SOURCE; WITHHOLDING FROM WAGES
 - 181.052 COLLECTION AT SOURCE; OCCASIONAL ENTRANT
 - 181.053 COLLECTION AT SOURCE; CASINO AND VLT
- 181.06 INCOME SUBJECT TO NET PROFIT TAX**
- 181.061 DETERMINING MUNICIPAL TAXABLE INCOME FOR TAXPAYERS WHO ARE NOT INDIVIDUALS
 - 181.062 NET PROFIT; INCOME SUBJECT TO NET PROFIT TAX; ALTERNATIVE APPORTIONMENT
 - 181.063 CONSOLIDATED FEDERAL INCOME TAX RETURN
 - 181.064 TAX CREDIT FOR BUSINESSES THAT FOSTER NEW JOBS IN OHIO
 - 181.065 TAX CREDITS TO FOSTER JOB RETENTION
- 181.07 DECLARATION OF ESTIMATED TAX**
- 181.08 CREDIT FOR TAX PAID**
- 181.081 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY
 - 181.082 REFUNDABLE CREDIT FOR QUALIFYING LOSS
 - 181.083 CREDIT FOR PERSON WORKING IN JOINT ECONOMIC DEVELOPMENT DISTRICT
 - 181.084 CREDIT FOR TAX BEYOND STATUTE FOR OBTAINING REFUND
- 181.09 ANNUAL RETURN**
- 181.091 RETURN AND PAYMENT OF TAX

- 181.092 RETURN AND PAYMENT OF TAX; INDIVIDUALS SERVING IN COMBAT ZONE
- 181.093 USE OF OHIO BUSINESS GATEWAY; TYPES OF FILINGS AUTHORIZED
- 181.094 EXTENSION OF TIME TO FILE
- 181.095 AMENDED RETURNS
- 181.096 REFUNDS
- 181.10 PENALTY, INTEREST, FEES AND CHARGES**
- 181.11 AUDIT**
- 181.12 ROUNDING**
- 181.13 AUTHORITY AND POWERS OF THE TAX ADMINISTRATOR**
 - 181.131 AUTHORITY OF TAX ADMINISTRATOR; ADMINISTRATIVE POWERS OF THE TAX ADMINISTRATOR
 - 181.132 AUTHORITY OF TAX ADMINISTRATOR; COMPROMISE OF CLAIM AND PAYMENT OVER TIME
 - 181.133 AUTHORITY OF TAX ADMINISTRATOR; RIGHT TO EXAMINE
 - 181.134 AUTHORITY OF TAX ADMINISTRATOR; REQUIRING IDENTIFYING INFORMATION
- 181.14 CONFIDENTIALITY**
- 181.15 FRAUD**
- 181.16 OPINION OF THE TAX ADMINISTRATOR**
- 181.17 ASSESSMENT; APPEAL BASED ON PRESUMPTION OF DELIVERY**
- 181.18 LOCAL BOARD OF TAX REVIEW; APPEAL TO LOCAL BOARD OF TAX REVIEW**
- 181.19 ACTIONS TO RECOVER; STATUTE OF LIMITATIONS**
- 181.20 ADOPTION OF RULES**
- 181.21 INFORMATION BY LANDLORDS**
- 181.22 INFORMATION BY CONTRACTORS**
- 181.23 COLLECTION OF TAX AFTER TERMINATION OF CHAPTER**
- 181.24 SAVINGS CLAUSE**
- 181.25 NET-PROFIT OPT IN FOR FILING THROUGH THE STATE OF OHIO DEPARTMENT OF TAXATION**
- 181.99 VIOLATIONS – PENALTY**

181.01 AUTHORITY TO LEVY TAX; PURPOSE OF TAX; RATE**181.011 AUTHORITY TO LEVY TAX**

(A) The tax on income and the withholding tax established by this Chapter 181 are authorized by Article XVIII, Section 3 of the Ohio Constitution. The tax on income and the withholding tax established by this Chapter 181 are deemed to be levied in accordance with, and to be consistent with, the provisions and limitations of Ohio Revised Code 718 (ORC 718). This Chapter is deemed to incorporate the provisions of ORC 718.

(B) The tax is an annual tax levied on the income of every person residing in or earning or receiving income in the municipal corporation, and shall be measured by municipal taxable income. The Municipality shall tax income at a uniform rate. The tax is levied on Municipal Taxable Income, as defined herein.

(Ord. 15-18. Passed 2-26-18.) (Source: ORC 718.04)

181.012 PURPOSES OF TAX; RATE

(A) There is hereby levied a tax: on all income, qualifying wages, municipal taxable income, commissions and other compensation, and on net profits, as hereinafter provided, in the sum of one and one-half percent (1-1/2%).

The funds collected under the provisions of this chapter shall be apportioned as follows:

(1) One and two-tenths percent (1.2%) of the tax to provide funds for the purposes of general Municipal operations, maintenance of equipment, extension and enlargement of Municipal services and facilities, and capital improvements of the City.

(2) Fifteen one-hundredths of one percent (0.15%) of the tax to be used for the purposes of capital improvements and the retirement of debt.

(3) Fifteen one-hundredths of one percent (0.15%) of the tax to be used for the purposes of street improvement, reconstruction and repair.

(B) As to the use of these funds, "Capital Improvement" shall be defined as any property, asset or improvement with an estimated life or usefulness of five years or more, including land and interests therein, and including reconstructions, enlargements and extensions thereof having an estimated life or usefulness of five years or more. Reconstruction for street purposes includes the resurfacing, but not the ordinary repair, of streets

(C) The revised apportionment of the municipal income tax specified in paragraph (a), above shall be effective for municipal income tax revenue received on or after January 1, 2013.

(Ord. 31-12. Passed 4-9-12.)

181.013 INTENTIONALLY LEFT BLANK**181.014 STATEMENT OF PROCEDURAL HISTORY; STATE MANDATED CHANGES TO MUNICIPAL INCOME TAX**

(A) Significant and wide-ranging amendments to ORC 718 were enacted by Am Sub HB 5, passed by the 130th General Assembly, and signed by Governor Kasich on December 19, 2014, and H.B. 5 required municipal corporations to conform to and adopt the provisions of ORC 718 in order to have the authority to impose, enforce, administer and collect a municipal income tax.

(B) As mandated by H.B. 5, municipal income tax Ordinance 98-15, effective January 1, 2016, comprehensively amended Chapter 181 in accordance with the provisions of ORC 718 to allow the

Municipality to continue the income tax and withholding tax administration and collection efforts on behalf of the Municipality.

(C) Ordinance 98-15 does not repeal the existing Chapter 181 for any taxable year beginning prior to 2016, but rather amends Chapter 181 effective January 1, 2016. For municipal taxable years beginning before January 1, 2016, the Municipality shall continue to administer, audit, and enforce the income tax of the Municipality under ORC 718 and ordinances and resolutions of the Municipality, as that chapter and those ordinances and resolutions existed before January 1, 2016. Any provisions of this chapter modified for years beginning on or after January 1, 2016 will be noted accordingly.

(D) Ordinance 15-18 does not repeal the existing Chapter 181 for any taxable year beginning prior to 2018, but rather amends Chapter 181 effective January 1, 2018. For municipal tax years beginning before January 1, 2018, the municipality shall continue to administer, audit, and enforce the income tax of the municipality under ORC 718 and ordinances and resolutions of the municipality as that chapter and those ordinances and resolutions existed before January 1, 2018.

181.015 ELECTRONIC VERSION OF RULES, ORDINANCES, BLANKS, AND INSTRUCTIONS AVAILABLE ON INTERNET

The tax administrator of a municipal corporation that imposes a tax on income in accordance with this chapter shall make electronic versions of any rules or ordinances governing the tax available to the public through the internet, including, but not limited to, ordinances or rules governing the rate of tax; payment and withholding of taxes; filing any prescribed returns, reports, or other documents; dates for filing or paying taxes, including estimated taxes; penalties, interest, assessment, and other collection remedies; rights of taxpayers to appeal; procedures for filing appeals; and a summary of taxpayers' rights and responsibilities. The tax administrator shall make blanks of any prescribed returns, reports, or documents, and any instructions pertaining thereto, available to the public electronically through the internet. Electronic versions of rules, ordinances, blanks, and instructions shall be made available by posting them on the electronic site established by the tax commissioner under section [5703.49](#) of the Revised Code and, if the municipal corporation or tax administrator maintains an electronic site for the posting of such documents that is accessible through the internet, by posting them on that electronic site. If a municipal corporation or tax administrator establishes such an electronic site, the municipal corporation shall incorporate an electronic link between that site and the site established pursuant to section [5703.49](#) of the Revised Code, and shall provide to the tax commissioner the uniform resource locator of the site established pursuant to this division.

(Source: ORC 718.07)

181.02 EFFECTIVE DATE

(A) Ordinance ___-___ does not repeal the existing Chapter 181 for any taxable year beginning prior to 2021, but rather amends Chapter 181 effective January 1, 2021. For municipal tax years beginning before January 1, 2021, the municipality shall continue to administer, audit, and enforce the income tax of the municipality under ORC 718 and ordinances and resolutions of the municipality as that chapter and those ordinances and resolutions existed before January 1, 2021.

181.03 DEFINITIONS

Any term used in this chapter that is not otherwise defined in this chapter has the same meaning as when used in a comparable context in laws of the United States relating to federal income taxation or in Title LVII of the Ohio Revised Code, unless a different meaning is clearly required. Except as provided in section 181.27, if a term used in this chapter that is not otherwise defined in this chapter is used in a comparable context in both the laws of the United States relating to federal income tax and in Title LVII of

the Ohio Revised Code and the use is not consistent, then the use of the term in the laws of the United States relating to federal income tax shall control over the use of the term in Title LVII of the Ohio Revised Code.

For purposes of this Section, the singular shall include the plural, and the masculine shall include the feminine and the gender-neutral.

Except as otherwise provided in section 181.27, as used in this chapter:

- (1) **"ADJUSTED FEDERAL TAXABLE INCOME,"** for a person required to file as a C corporation, or for a person that has elected to be taxed as a C corporation under division 23(E) of this section, 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 of intangible income deducted under division (1)(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 (1)(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 (1)(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 taxes 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 or 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) Deduct, to the extent not otherwise deducted or excluded in computing federal taxable income, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section [4313.02](#) of the Ohio Revised Code;
 - (H) For tax years beginning on and after January 1, 2018, deduct exempt income to the extent not otherwise deducted or excluded in computing adjusted federal taxable income.
 - (I) Deduct any net profit of a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that net profit in the group's federal taxable income in accordance with division (E)(3)(b) of Section 181.063 of this Chapter.
 - (J) Add any loss incurred by a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that loss in the group's federal taxable income in accordance with division (E)(3)(b) of Section 181.063 of this Chapter.

If the taxpayer is not a C corporation, is not a disregarded entity that has made the election described in division (47)(B) of this section, is not a publicly traded partnership that has made the election described in division (23)(D) of this section, and is not an individual, the taxpayer shall compute adjusted federal taxable income under this section as if the taxpayer were a C corporation, except guaranteed payments and other similar amounts paid or accrued to a partner, former partner, shareholder, former shareholder, member, or former member shall not be allowed as a deductible expense unless such payments are in consideration for the use of capital and treated as payment of interest under section 469 of the Internal Revenue Code or United States treasury regulations. Amounts paid or accrued to a qualified self-employed

retirement plan with respect to a partner, former partner, shareholder, former shareholder, member, or former member of the taxpayer, amounts paid or accrued to or for health insurance for a partner, former partner, shareholder, former shareholder, member, or former member, and amounts paid or accrued to or for life insurance for a partner, former partner, shareholder, former shareholder, member, or former member shall not be allowed as a deduction.

Nothing in division (1) of 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.

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(3) **"ASSESSMENT"** means any of the following:

(A) (i) A written finding by the Tax Administrator that a person has underpaid municipal income tax, or owes penalty and interest, or any combination of tax, penalty, or interest, to the municipal corporation;

(ii) A Tax Administrator's denial of a taxpayer's request for use of an alternative apportionment method, issued under Section 181.062(B)(2) of this Chapter; or

(iii) A Tax Administrator's requirement for a taxpayer to use an alternative apportionment method, issued under Section 181.062(B)(3) of this Chapter.

(iv) For purposes of division (3)(A)(i), (ii), and (iii) of this Section, an assessment shall commence the person's time limitation for making an appeal to the Local Board of Tax Review pursuant to Section 181.18 of this Chapter, and shall have **"ASSESSMENT"** written in all capital letters at the top of such finding.

(B) **"ASSESSMENT"** does not include notice(s) denying a request for refund issued under Section 181.096 (B)(3) of this Chapter, a billing statement notifying a taxpayer of current or past-due balances owed to the municipal corporation, a Tax Administrator's request for additional information, a notification to the taxpayer of mathematical errors, or a Tax Administrator's other written correspondence to a person or taxpayer that does not meet the criteria prescribed by division (2)(A) of this section.

(4) **"ASSOCIATION"** means a partnership, limited partnership, limited liability company, S corporation or any other form of unincorporated enterprise, owned by two or more persons.

(5) **"AUDIT"** means the examination of a person or the inspection of the books, records, memoranda, or accounts of a person, ordered to appear before the Tax Administrator, for the purpose of determining liability for a municipal income tax

(6) **"BOARD OF REVIEW"** see 181.03(29) Local Board of Tax Review.

(7) **"BUSINESS"** means 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 and leasing of property, real, personal, or mixed.

(8) **"CALENDAR QUARTER"** means the three-month period ending on the last day of March, June, September, or December.

(9) **"CASINO OPERATOR"** and **"CASINO FACILITY"** have the same meanings as in section [3772.01](#) of the Ohio Revised Code.

(10) **"CERTIFIED MAIL," "EXPRESS MAIL," "UNITED STATES MAIL," "POSTAL SERVICE,"** and similar terms include any delivery service authorized pursuant to section [5703.056](#) of the Ohio Revised Code.

(11) **"CITY"** means the City of Fairfield, Ohio

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(13) **"CORPORATION"** means a corporation or joint stock association organized under the laws of the United States, the State of Ohio, or any other state, territory, or foreign country or dependency.

(14) **"DISREGARDED ENTITY"** means a single member limited liability company, a qualifying subchapter S subsidiary, or another entity if the company, subsidiary, or entity is a disregarded entity for federal income tax purposes.

(15) **"DOMICILE"** see 181.042.

- (16) **"EMPLOYEE"** means one who works for wages salary, commission or other type of compensation for the service of an employer.
- (17) **"EMPLOYER"** means an individual, partnership, association, corporation, governmental body, unit, or agency, other any other entity, whether or not organized for profit, and including the officers and senior resident manager, who or which employs one or more persons on a salary, wage, commission or other compensation basis.
- (18) **"EXEMPT INCOME"** means all of the following:
- (A) The military pay or allowances of members of the armed forces of the United States or members of their reserve components, including the national guard of any state;
 - (B)
 - (i) Except as provided in division (11)(B)(ii) of this section, intangible income;
 - (ii) A municipal corporation that taxed any type of intangible income on March 29, 1988, pursuant to Section 3 of S.B. 238 of the 116th general assembly, may continue to tax that type of income if a majority of the electors of the municipal corporation voting on the question of whether to permit the taxation of that type of intangible income after 1988 voted in favor thereof at an election held on November 8, 1988.
 - (C) Social security benefits, railroad retirement benefits, unemployment compensation, pensions, retirement benefit payments, payments from annuities, and similar payments made to an employee or to the beneficiary of an employee under a retirement program or plan, disability payments received from private industry or local, state, or federal governments or from charitable, religious or educational organizations, and the proceeds of sickness, accident, or liability insurance policies. As used in division (11)(C) of this section, "unemployment compensation" does not include supplemental unemployment compensation described in section 3402(o)(2) of the Internal Revenue Code.
 - (D) The income of religious, fraternal, charitable, scientific, literary, or educational institutions to the extent such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property, or tax-exempt activities.
 - (E) Compensation paid under section [3501.28](#) or [3501.36](#) of the Ohio Revised Code to a person serving as a precinct election official to the extent that such compensation does not exceed one thousand dollars for the taxable year. Such compensation in excess of one thousand dollars for the taxable year may be subject to taxation by a municipal corporation. A municipal corporation shall not require the payer of such compensation to withhold any tax from that compensation.
 - (F) Dues, contributions, and similar payments received by charitable, religious, educational, or literary organizations or labor unions, lodges, and similar organizations;
 - (G) Alimony and child support received;
 - (H) Compensation for personal injuries or for damages to property from insurance proceeds or otherwise, excluding compensation paid for lost salaries or wages or compensation for punitive damages;
 - (I) 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. Division (11)(I) of this section does not apply for purposes of Chapter 5745 of the Ohio Revised Code;
 - (J) Gains from involuntary conversions, interest on federal obligations, items of income subject to a tax levied by the state and that a municipal corporation is specifically prohibited by law from taxing, and income of a decedent's estate during the period of administration except such income from the operation of a trade or business;
 - (K) Compensation or allowances excluded from federal gross income under section 107 of the Internal Revenue Code;
 - (L) Employee compensation that is not qualifying wages as defined in division (34) of this section;
 - (M) Compensation paid to a person employed within the boundaries of a United States air force base under the jurisdiction of the United States air force that is used for the housing of members of the United States air force and is a center for air force operations, unless the person is subject to taxation because of residence or domicile. If the compensation is subject to taxation because of residence or domicile, tax on such income shall be payable only to the municipal corporation of residence or domicile.

(N) 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.

(O) All of the municipal taxable income earned by individuals under eighteen years of age.

(P) (i) Except as provided in divisions (11)(P)(ii), (iii), and (iv) of this section, qualifying wages described in division (B)(1) or (E) of Section 181.052 of this Chapter to the extent the qualifying wages are not subject to withholding for the Municipality under either of those divisions.

(ii) The exemption provided in division (11)(P)(i) of this section does not apply with respect to the municipal corporation in which the employee resided at the time the employee earned the qualifying wages.

(iii) The exemption provided in division (11)(P)(i) of this section does not apply to qualifying wages that an employer elects to withhold under division (D)(2) of Section 181.052 of this Chapter

(iv) The exemption provided in division (11)(P)(i) of this section does not apply to qualifying wages if both of the following conditions apply:

(a) For qualifying wages described in division (B)(1) of Section 181.052 of this Chapter, the employee's employer withholds and remits tax on the qualifying wages to the municipal corporation in which the employee's principal place of work is situated, or, for qualifying wages described in division (E) of Section 181.052 of this Chapter, the employee's employer withholds and remits tax on the qualifying wages to the municipal corporation in which the employer's fixed location is located;

(b) The employee receives a refund of the tax described in division (11)(P)(iv)(a) of this section on the basis of the employee not performing services in that municipal corporation.

(Q) (i) Except as provided in division (11)(Q)(ii) or (iii) of this section, compensation that is not qualifying wages paid to a nonresident individual for personal services performed in the Municipality on not more than twenty days in a taxable year.

(ii) The exemption provided in division (11)(Q)(i) of this section does not apply under either of the following circumstances:

(a) The individual's base of operation is located in the Municipality.

(b) The individual is a professional athlete, professional entertainer, or public figure, and the compensation is paid for the performance of services in the individual's capacity as a professional athlete, professional entertainer, or public figure. For purposes of division (11)(Q)(ii)(b) of this section, "professional athlete," "professional entertainer," and "public figure" have the same meanings as in Section 181.052 of this Chapter.

(iii) Compensation to which division (11)(Q) of this section applies shall be treated as earned or received at the individual's base of operation. If the individual does not have a base of operation, the compensation shall be treated as earned or received where the individual is domiciled.

(iv) For purposes of division (11)(Q) of this section, "base of operation" means the location where an individual owns or rents an office, storefront, or similar facility to which the individual regularly reports and at which the individual regularly performs personal services for compensation.

(R) Compensation paid to a person for personal services performed for a political subdivision on property owned by the political subdivision, regardless of whether the compensation is received by an employee of the subdivision or another person performing services for the subdivision under a contract with the subdivision, if the property on which services are performed is annexed to a municipal corporation pursuant to section [709.023](#) of the Ohio Revised Code on or after March 27, 2013, unless the person is subject to such taxation because of residence. If the compensation is subject to taxation because of residence, municipal income tax shall be payable only to the municipal corporation of residence.

(S) Income the taxation of which is prohibited by the constitution or laws of the United States.

(T) Any item of income that is exempt income of a pass-through entity under division (11) of this section is exempt income of each owner of the pass-through entity to the extent of that owner's distributive or proportionate share of that item of the entity's income.

(U) In the case of a tax administered, collected, and enforced by a municipal corporation pursuant to an agreement with the board of directors of a joint economic development district under section 715.72 of the Revised Code, the net profits of a business, and the income of the employees of that business, exempted from the tax under division (Q) of that section.

(V) All of the following:

(i) Income derived from disaster work conducted in this state by an out-of-state disaster business during a disaster response period pursuant to a qualifying solicitation received by the business;

(ii) Income of a qualifying employee described in division (A)(14)(a) of section 5703.94 of the Revised Code, to the extent such income is derived from disaster work conducted in this state by the employee during a disaster response period pursuant to a qualifying solicitation received by the employee's employer;

(iii) Income of a qualifying employee described in division (A)(14)(b) of section 5703.94 of the Revised Code, to the extent such income is derived from disaster work conducted in this state by the employee during a disaster response period on critical infrastructure owned or used by the employee's employer.

(19) **"FISCAL YEAR"** means an accounting period of twelve months or less, ending on any other day than December 31.

(20) **"FORM 2106"** means internal revenue service form 2106 filed by a taxpayer pursuant to the Internal Revenue Code.

(21) **"GENERIC FORM"** means an electronic or paper form that is not prescribed by a particular municipal corporation and that is designed for reporting taxes withheld by an employer, agent of an employer, or other payer, estimated municipal income taxes, or annual municipal income tax liability, including a request for refund. The City shall accept for filing a generic form of such a return, report, or document if the generic form once completed and filed contains all other information required to be submitted with the City's prescribed returns, reports, or documents.

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(23) **"INCOME"** means the following:

(A) (i) For residents, all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the resident, including the resident's distributive share of the net profit of pass-through entities owned directly or indirectly by the resident and any net profit of the resident, except as provided in division (34)(E) of this section.

(ii) For the purposes of division (23)(A)(i) of this section:

(a) Any net operating loss of the resident incurred in the taxable year and the resident's distributive share of any net operating loss generated in the same taxable year and attributable to the resident's ownership interest in a pass-through entity shall be allowed as a deduction, for that taxable year and the following five taxable years, against any other net profit of the resident or the resident's distributive share of any net profit attributable to the resident's ownership interest in a pass-through entity until fully utilized, subject to division (23)(A)(iv) of this section;

(b) The resident's distributive share of the net profit of each pass-through entity owned directly or indirectly by the resident shall be calculated without regard to any net operating loss that is carried forward by that entity from a prior taxable year and applied to reduce the entity's net profit for the current taxable year.

(iii) Division (23)(A)(ii) of this section does not apply with respect to any net profit or net operating loss attributable to an ownership interest in an S corporation unless shareholders' distributive shares of net profits from S corporations are subject to tax in the municipal corporation as provided in division 18 (N) of this Section.

(iv) Any amount of a net operating loss used to reduce a taxpayer's net profit for a taxable year shall reduce the amount of net operating loss that may be carried forward to any subsequent year for use by that taxpayer. In no event shall the cumulative deductions for all taxable years with respect to a taxpayer's net operating loss exceed the original amount of that net operating loss available to that taxpayer.

(B) In the case of nonresidents, all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the nonresident for work done, services performed or rendered, or activities conducted in the Municipality, including any net profit of the nonresident, but excluding the nonresident's distributive share of the net profit or loss of only pass-through entities owned directly or indirectly by the nonresident.

(C) For taxpayers that are not individuals, net profit of the taxpayer;

(D) Lottery, sweepstakes, gambling and sports winnings, winnings from games of chance, and prizes and awards. If the taxpayer is a professional gambler for federal income tax purposes, the taxpayer may deduct related wagering losses and expenses to the extent authorized under the Internal Revenue Code and claimed against such winnings. Credit for tax withheld or paid to another municipal corporation on such winnings paid to the municipal corporation where winnings occur is limited to the credit as specified in Section 181.081 of this Chapter.

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(24) **"INTANGIBLE INCOME"** means 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, gambling winnings, or other similar games of chance.

(25) **"INTERNAL REVENUE CODE"** has the same meaning as in section 5747.01 of the Ohio Revised Code.

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(27) **"JOINT ECONOMIC DEVELOPMENT DISTRICT OR ZONE"** means a District or Zone created under Ohio Revised Code Sections 715.70, 715.71 and 715.73, as amended from time to time.

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

(29) **"LOCAL BOARD OF TAX REVIEW"** and **"BOARD OF TAX REVIEW"** means the entity created under Section 181.18 of this Chapter.

(30) **"MUNICIPAL CORPORATION"** means, in general terms, a status conferred upon a local government unit, by state law giving the unit certain autonomous operating authority such as the power of taxation, power of eminent domain, police power and regulatory power, and includes a joint economic development district or joint economic development zone that levies an income tax under section 715.691, 715.70, 715.71, or 715.74 of the Ohio Revised Code.

(31) **"MUNICIPAL TAXABLE INCOME"** means the following:

(A) (i) For a person other than an individual, income, apportioned or situated to the Municipality under Section 181.062 of this Chapter, as applicable reduced by any pre-2017 net operating loss carryforward available to the person for the Municipality.

(ii) (a) For an individual who is a resident of a Municipality other than a qualified municipal corporation, income reduced by exempt income to the extent otherwise included in income, then reduced as provided in division (31)(B) of this section, and further reduced by any pre-2017 net operating loss carryforward available to the individual for the Municipality.

(b) For an individual who is a resident of a qualified municipal corporation, Ohio adjusted gross income reduced by income exempted, and increased by deductions excluded, by the qualified municipal corporation from the qualified municipal corporation's tax. If a qualified municipal corporation, on or before December 31, 2013, exempts income earned by individuals who are not residents of the qualified municipal corporation and net profit of persons that are not wholly located within the qualified municipal corporation, such individual or person shall have no municipal taxable income for the purposes of the tax levied by the qualified municipal corporation and may be exempted by the qualified municipal corporation from the requirements of section [718.03](#) of the Ohio Revised Code.

- (iii) For an individual who is a nonresident of the Municipality, income reduced by exempt income to the extent otherwise included in income and then, as applicable, apportioned or situated to the Municipality under Section 181.062 of this Chapter, then reduced as provided in division (31)(B) of this section, and further reduced by any pre-2017 net operating loss carryforward available to the individual for the Municipality.
- (B) In computing the municipal taxable income of a taxpayer who is an individual, the taxpayer may subtract, as provided in division (31)(A)(ii)(a) or (31)(A)(iii) of this section, the amount of the individual's employee business expenses reported on the individual's form 2106 that the individual deducted for federal income tax purposes for the taxable year, subject to the limitation imposed by section 67 of the Internal Revenue Code. For the municipal corporation in which the taxpayer is a resident, the taxpayer may deduct all such expenses allowed for federal income tax purposes. For a municipal corporation in which the taxpayer is not a resident, the taxpayer may deduct such expenses only to the extent the expenses are related to the taxpayer's performance of personal services in that nonresident municipal corporation.
- (32) **"MUNICIPALITY"** means the City of Fairfield, Ohio.
- (33) **"NET OPERATING LOSS"** means a loss incurred by a person in the operation of a trade or business. **"NET OPERATING LOSS"** does not include unutilized losses resulting from basis limitations, at-risk limitations, or passive activity loss limitations.
- (34) **"NET PROFIT"**
- (A) for a person who is an individual means the individual's net profit required to be reported on schedule C, schedule E, or schedule F reduced by any net operating loss carried forward. For the purposes of division (34)(A), the net operating loss carried forward shall be calculated and deducted in the same manner as provided in division (34)(C) of this section.
- (B) **"NET PROFIT"** for a person other than an individual means adjusted federal taxable income reduced by any net operating loss incurred by the person in a taxable year beginning on or after January 1, 2017, subject to the limitations of division (34)(C) of this section.
- (C) (i) The amount of such net operating loss shall be deducted from net profit to the extent necessary to reduce municipal taxable income to zero, with any remaining unused portion of the net operating loss carried forward to not more than five consecutive taxable years following the taxable year in which the loss was incurred, but in no case for more years than necessary for the deduction to be fully utilized.
- (ii) No person shall use the deduction allowed by division (34)(C) of this section to offset qualifying wages.
- (iii)(a) For taxable years beginning in 2018, 2019, 2020, 2021, and 2022, a person may not deduct, for purposes of an income tax levied by a municipal corporation that levies an income tax before January 1, 2016, more than fifty percent of the amount of the deduction otherwise allowed by division (34)(C) of this section.
- (b) For taxable years beginning in 2023 or thereafter, a person may deduct, for purposes of an income tax levied by a municipal corporation that levies an income tax before January 2016, the full amount allowed by division (34)(C) of this section without regard to the limitation of division (34)(C)(iii)(a) of this section.
- (iv) Any pre-2017 net operating loss carryforward deduction that is available may be utilized before a taxpayer may deduct any amount pursuant to division (34)(C) of this section.
- (v) Nothing in division (34)(C)(iii)(a) of this section precludes a person from carrying forward, for use with respect to any return filed for a taxable year beginning after 2018, any amount of net operating loss that was not fully utilized by operation of division (34)(C)(iii)(a) of this section. To the extent that an amount of net operating loss that was not fully utilized in one or more taxable years by operation of division (34)(C)(iii)(a) of this section is carried forward for use with respect to a return filed for a taxable year beginning in 2019, 2020, 2021, or 2022, the limitation described in division (34)(C)(iii)(a) of this section shall apply to the amount carried forward.
- (D) For the purposes of this chapter, and notwithstanding division (34)(B) of this section, net profit of a disregarded entity shall not be taxable as against that disregarded entity, but shall instead be included in the net profit of the owner of the disregarded entity.

(E) (i) For the purposes of this chapter, and notwithstanding any other provision of this chapter, the net profit of a publicly traded partnership that makes the election described in division (34)(E) of this section shall be taxed as if the partnership were a C corporation, and shall not be treated as the net profit or income of any owner of the partnership.

(ii) A publicly traded partnership that is treated as a partnership for federal income tax purposes and that is subject to tax on its net profits in one or more municipal corporations in this state may elect to be treated as a C corporation for municipal income tax purposes. The publicly traded partnership shall make the election in every municipal corporation in which the partnership is subject to taxation on its net profits. The election shall be made on the annual tax return filed in each such municipal corporation.

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

(36) **"NONRESIDENT"** means an individual that is not a resident of the Municipality.

(37) **"OHIO BUSINESS GATEWAY"** means the online computer network system, created under section [125.30](#) of the Ohio Revised Code, that allows persons to electronically file business reply forms with state agencies and includes any successor electronic filing and payment system.

(38) "Other payer" means any person, other than an individual's employer or the employer's agent, that pays an individual any amount included in the federal gross income of the individual. "Other payer" includes casino operators and video lottery terminal sales agents.

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(41) **"PASS-THROUGH ENTITY"** means a partnership not treated as an association taxable as a C corporation for federal income tax purposes, a limited liability company not treated as an association taxable as a C corporation for federal income tax purposes, an S corporation, or any other class of entity from which the income or profits of the entity are given pass-through treatment for federal income tax purposes. "Pass-through entity" does not include a trust, estate, grantor of a grantor trust, or disregarded entity.

(42) **"PENSION"** means a retirement benefit plan, regardless of whether the plan satisfies the qualifications described under section 401(a) of the Internal Revenue Code, including amounts that are taxable under the "Federal Insurance Contributions Act," Chapter 21 of the Internal Revenue Code, excluding employee contributions and elective deferrals, and regardless of whether such amounts are paid in the same taxable year in which the amounts are included in the employee's wages, as defined by section 3121(a) of the Internal Revenue Code.

(43) **"PERSON"** includes individuals, firms, companies, joint stock companies, business trusts, estates, trusts, partnerships, limited liability partnerships, limited liability companies, associations, C corporations, S corporations, governmental entities, and any other entity. Whenever used in any clause prescribing and imposing a penalty, the term "person", as applied to an unincorporated entity, shall mean the partners or members thereof, and, as applied to corporations, the officers thereof.

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(45) **"POSTAL SERVICE"** means the United States postal service, or private delivery service delivering documents and packages within an agreed upon delivery schedule, or any other carrier service delivering the item.

(46) **"POSTMARK DATE," "DATE OF POSTMARK,"** and similar terms include the date recorded and marked by a delivery service and recorded electronically to a database kept in the regular course of its business and marked on the cover in which the payment or document is enclosed, the date on which the payment or document was given to the delivery service for delivery

(47) **"PRE-2017 NET OPERATING LOSS CARRYFORWARD"**

(A) means any net operating loss incurred in a taxable year beginning before January 1, 2017, to the extent such loss was permitted, by a resolution or ordinance of the Municipality that was adopted by the Municipality before January 1, 2016, to be carried forward and utilized to offset income or net profit generated in such Municipality in future taxable years.

(B) For the purpose of calculating municipal taxable income, any pre-2017 net operating loss carryforward may be carried forward to any taxable year, including taxable years beginning in 2017 or thereafter, for the number of taxable years provided in the resolution or ordinance or until fully utilized, whichever is earlier.

(48) **"PUBLICLY TRADED PARTNERSHIP"** means any partnership, an interest in which is regularly traded on an established securities market. A **"PUBLICLY TRADED PARTNERSHIP"** may have any number of partners.

(49) **"OUT-OF-STATE DISASTER BUSINESS," "QUALIFYING SOLICITATION," "QUALIFYING EMPLOYEE," "DISASTER WORK," "CRITICAL INFRASTRUCTURE," AND "DISASTER RESPONSE PERIOD"** have the same meanings as in section 5703.94 of the Revised Code.

(50) **"QUALIFIED MUNICIPAL CORPORATION"** means a municipal corporation that, by resolution or ordinance adopted on or before December 31, 2011, adopted Ohio adjusted gross income, as defined by section [5747.01](#) of the Ohio Revised Code, as the income subject to tax for the purposes of imposing a municipal income tax.

(51) **"QUALIFYING WAGES"** means wages, as defined in section 3121(a) of the Internal Revenue Code, including, but not limited to, severance pay, sick pay, vacation pay and supplemental unemployment benefits paid by an employer or employers, commissions, compensation of personal services, other income defined by statute as taxable, and/or the net profits from operation of a business, profession, or other enterprise or activity adjusted in accordance with the provisions of this chapter, without regard to any wage limitations, and, adjusted as follows:

- (A) Deduct the following amounts:
 - (i) Any amount included in wages if the amount constitutes compensation attributable to a plan or program described in section 125 of the Internal Revenue Code.
 - (ii) Any amount included in wages if the amount constitutes payment on account of a disability related to sickness or an accident paid by a party unrelated to the employer, agent of an employer, or other payer.
 - (iii) Any amount included in wages if the amount arises from the sale, exchange, or other disposition of a stock option, the exercise of a stock option, or the sale, exchange, or other disposition of stock purchased under a stock option.
 - (iv) Any amount included in wages that is exempt income.
- (B) Add the following amounts:
 - (i) Any amount not included in wages solely because the employee was employed by the employer before April 1, 1986.
 - (ii) INTENTIONALLY LEFT BLANK
 - (iii) Any amount not included in wages if the amount is an amount described in section 401(k), 403(b), or 457 of the Internal Revenue Code. Division (49)(B)(iii) of this section applies only to employee contributions and employee deferrals.
 - (iv) Any amount that is supplemental unemployment compensation benefits described in section 3402(o)(2) of the Internal Revenue Code and not included in wages.
 - (v) Any amount received that is treated as self-employment income for federal tax purposes in accordance with section 1402(a)(8) of the Internal Revenue Code.
 - (vi) Any amount not included in wages if all of the following apply:
 - (a) For the taxable year the amount is employee compensation that is earned outside of the United States and that either is included in the taxpayer's gross income for federal income tax purposes or would have been included in the taxpayer's gross income for such purposes if the taxpayer did not elect to exclude the income under section 911 of the Internal Revenue Code;
 - (b) For no preceding taxable year did the amount constitute wages as defined in section 3121(a) of the Internal Revenue Code;
 - (c) For no succeeding taxable year will the amount constitute wages; and

(d) For any taxable year the amount has not otherwise been added to wages pursuant to either division (49)(B) of this section or section [718.03](#) of the Ohio Revised Code, as that section existed before the effective date of H.B. 5 of the 130th general assembly, March 23, 2015.

(52) **"RELATED ENTITY"** means any of the following:

(A) An individual stockholder, or a member of the stockholder's family enumerated in section 318 of the Internal Revenue Code, if the stockholder and the members of the stockholder's family own directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty percent of the value of the taxpayer's outstanding stock;

(B) A stockholder, or a stockholder's partnership, estate, trust, or corporation, if the stockholder and the stockholder's partnerships, estates, trusts, or corporations own directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty percent of the value of the taxpayer's outstanding stock;

(C) A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under division (50)(D) of this section, provided the taxpayer owns directly, indirectly, beneficially, or constructively, at least fifty percent of the value of the corporation's outstanding stock;

(D) The attribution rules described in section 318 of the Internal Revenue Code apply for the purpose of determining whether the ownership requirements in divisions (50)(A) to (C) of this section have been met.

(53) **"RELATED MEMBER"** means a person that, with respect to the taxpayer during all or any portion of the taxable year, is either a related entity, a component member as defined in section 1563(b) of the Internal Revenue Code, or a person to or from whom there is attribution of stock ownership in accordance with section 1563(e) of the Internal Revenue Code except, for purposes of determining whether a person is a related member under this division, "twenty percent" shall be substituted for "5 percent" wherever "5 percent" appears in section 1563(e) of the Internal Revenue Code.

(54) **"RESIDENT"** means an individual who is domiciled in the Municipality as determined under Section 181.042 of this Chapter.

(55) **"RETIREMENT BENEFIT PLAN"** means an arrangement whereby an entity provides benefits to individuals either on or after their termination of service because of retirement or disability. "Retirement benefit plan" does not include wage continuation payments, severance payments, or payments made for accrued personal or vacation time.

(56) **"S CORPORATION"** means a person that has made an election under subchapter S of Chapter 1 of Subtitle A of the Internal Revenue Code for its taxable year.

(57) **"SCHEDULE C"** means internal revenue service schedule C (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

(58) **"SCHEDULE E"** means internal revenue service schedule E (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

(59) **"SCHEDULE F"** means internal revenue service schedule F (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

(60) **"SINGLE MEMBER LIMITED LIABILITY COMPANY"** means a limited liability company that has one direct member.

(61) **"SMALL EMPLOYER"** means any employer that had total revenue of less than five hundred thousand dollars during the preceding taxable year. For purposes of this division, "total revenue" means receipts of any type or kind, including, but not limited to, sales receipts; payments; rents; profits; gains; dividends, and other investment income; commissions; premiums; money; property; grants; contributions; donations; gifts; program service revenue; patient service revenue; premiums; fees, including premium fees and service fees; tuition payments; unrelated business revenue; reimbursements; any type of payment from a governmental unit, including grants and other allocations; and any other similar receipts reported for federal income tax purposes or under generally accepted accounting principles. "Small employer" does not include the federal government; any state government, including any state agency or instrumentality;

any political subdivision; or any entity treated as a government for financial accounting and reporting purposes.

(62) **"TAX ADMINISTRATOR"** means the individual charged with direct responsibility for administration of an income tax levied by a municipal corporation in accordance with this chapter, and also includes the following:

- (A) A municipal corporation acting as the agent of another municipal corporation;
- (B) A person retained by a municipal corporation to administer a tax levied by the municipal corporation, but only if the municipal corporation does not compensate the person in whole or in part on a contingency basis;
- (C) The Central Collection Agency (CCA) or the Regional Income Tax Agency (RITA) or their successors in interest, or another entity organized to perform functions similar to those performed by the Central Collection Agency and the Regional Income Tax Agency. "Tax Administrator" does not include the Tax Commissioner.

(63) **"TAX COMMISSIONER"** means the tax commissioner appointed under section 121.03 of the Revised Code.

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

(65) **"TAXABLE YEAR"** means the corresponding tax reporting period as prescribed for the taxpayer under the Internal Revenue Code.

(66) **"TAXPAYER"** means a person subject to a tax levied on income by a municipal corporation in accordance with this chapter. **"TAXPAYER"** does not include a grantor trust or, except as provided in division (66)(A)(i) of this section, a disregarded entity.

(A) (i) A single member limited liability company that is a disregarded entity for federal tax purposes may be a separate taxpayer from its single member in all Ohio municipal corporations in which it either filed as a separate taxpayer or did not file for its taxable year ending in 2003, if all of the following conditions are met:

- (a) The limited liability company's single member is also a limited liability company.
- (b) The limited liability company and its single member were formed and doing business in one or more Ohio municipal corporations for at least five years before January 1, 2004.
- (c) Not later than December 31, 2004, the limited liability company and its single member each made an election to be treated as a separate taxpayer under division (L) of section 718.01 of the Ohio Revised Code as this section existed on December 31, 2004.
- (d) The limited liability company was not formed for the purpose of evading or reducing Ohio municipal corporation income tax liability of the limited liability company or its single member.
- (e) The Ohio municipal corporation that was the primary place of business of the sole member of the limited liability company consented to the election.

(ii) For purposes of division (63)(B)(i)(e) of this section, a municipal corporation was the primary place of business of a limited liability company if, for the limited liability company's taxable year ending in 2003, its income tax liability was greater in that municipal corporation than in any other municipal corporation in Ohio, and that tax liability to that municipal corporation for its taxable year ending in 2003 was at least four hundred thousand dollars.

(67) **"TAXPAYERS' RIGHTS AND RESPONSIBILITIES"** means the rights provided to taxpayers in sections [718.11](#) , [718.12](#) , 718.19, 718.23, 718.36, 718.37, 718.38, [5717.011](#) , and [5717.03](#) of the Ohio Revised Code and any corresponding ordinances of the Municipality, and the responsibilities of taxpayers to file, report, withhold, remit, and pay municipal income tax and otherwise comply with Chapter 718. of the Ohio Revised Code and resolutions, ordinances, and rules adopted by a municipal corporation for the imposition and administration of a municipal income tax.

(68) **"VIDEO LOTTERY TERMINAL"** or **"VLT"** has the same meaning as in section [3770.21](#) of the Ohio Revised Code.

(69) **"VIDEO LOTTERY TERMINAL SALES AGENT"** means a lottery sales agent licensed under Chapter 3770 of the Ohio Revised Code to conduct video lottery terminals on behalf of the state pursuant to section [3770.21](#) of the Ohio Revised Code.

(Source: Most definitions can be found in ORC 718.01)

181.04 INCOME SUBJECT TO TAX FOR INDIVIDUALS

181.041 DETERMINING MUNICIPAL TAXABLE INCOME FOR INDIVIDUALS

(A) "Municipal Taxable Income" for a resident of the Municipality is calculated as follows:

(1) "Income" reduced by "Exempt Income" to the extent such exempt income is otherwise included in income, reduced by allowable employee business expense deduction as found in division (20)(B) of Section 181.03 of this Chapter, further reduced by any "Pre-2017 Net Operating Loss Carryforward" equals "Municipal Taxable Income".

(a) "Income" is defined in Section 181.03 (23) of this Chapter.

(i) "Qualifying Wages" is defined in Section 181.03(51).

(ii) "Net profit" is included in "income", and is defined in Section 181.03 (34) of this Chapter. This section also provides that the net operating loss carryforward shall be calculated and deducted in the same manner as provided in division (1)(H) of Section 181.03. Treatment of net profits received by an individual taxpayer from rental real estate is provided in Section 181.062(E).

(iii) Section 181.03(14) provides the following: offsetting and net operating loss carryforward treatment in (14)(A)(ii)(a); resident's distributive share of net profit from pass through entity treatment in (14)(A)(ii)(b); treatment of S Corporation distributive share of net profit in the hands of the shareholder in (14)(A)(iii); restriction of amount of loss permitted to be carried forward for use by taxpayer in a subsequent taxable year in (14)(A)(iv).

(iv) "Pass Through Entity" is defined in Section 181.03(41).

(b) "Exempt Income" is defined in Section 181.03 (18) of this Chapter.

(c) Allowable employee business expense deduction is described in (20) of Section 181.03 of this Chapter, and is subject to the limitations provided in that section.

(d) "Pre-2017 Net Operating Loss Carryforward" is defined in Section 181.03 (47) of this Chapter

(B) "Municipal Taxable Income" for a nonresident of the Municipality is calculated as follows:

(1) "Income" reduced by "Exempt Income" to the extent such exempt income is otherwise included in income, as applicable, apportioned or situated to the Municipality as provided in Section 181.062 of this Chapter, reduced by allowable employee business expense deduction as found in (20)(B) of Section 181.03 of this Chapter, further reduced by any "Pre-2017 Net Operating Loss Carryforward" equals "Municipal Taxable Income".

(a) "Income" is defined in Section 181.03(14) of this Chapter.

(i) "Qualifying Wages" is defined in Section 181.03(23).

(ii) "Net profit" is included in "income", and is defined in Section 181.03(51) of this Chapter. This section also provides that the net operating loss carryforward shall be calculated and deducted in the same manner as provided in division (1)(H) of Section 181.03. "Net profit" for a nonresident individual includes any net profit of the nonresident, but excludes the distributive share of net profit or loss of only pass through entity owned directly or indirectly by the nonresident.

(iii) "Pass Through Entity" is defined in Section 181.03(41).

(b) "Exempt Income" is defined in Section 181.03(18) of this Chapter.

(c) “Apportioned or situated to the Municipality as provided in Section 181.062 of this Chapter” includes the apportionment of net profit income attributable to work done or services performed in the Municipality. Treatment of net profits received by an individual taxpayer from rental real estate is provided in Section 181.062(E).

(d) “Allowable employee business expense deduction” as described in (20) of Section 181.03 of this Chapter, is subject to the limitations provided in that section. For a nonresident of the Municipality, the deduction is limited to the extent the expenses are related to the performance of personal services by the nonresident in the Municipality. 181.03

(e) “Pre-2017 Net Operating Loss Carryforward” is defined in Section 181.03(47) of this Chapter.

181.042 DOMICILE

(A) As used in this section:

(1) An individual is presumed to be domiciled in the Municipality for all or part of a taxable year if the individual was domiciled in the Municipality on the last day of the immediately preceding taxable year or if the Tax Administrator reasonably concludes that the individual is domiciled in the Municipality for all or part of the taxable year.

(2) An individual may rebut the presumption of domicile described in division (A)(1) of this section if the individual establishes by a preponderance of the evidence that the individual was not domiciled in the Municipality for all or part of the taxable year.

(B) For the purpose of determining whether an individual is domiciled in the Municipality for all or part of a taxable year, factors that may be considered include, but are not limited to, the following:

- (1) The individual's domicile in other taxable years;
- (2) The location at which the individual is registered to vote;
- (3) The address on the individual's driver's license;
- (4) The location of real estate for which the individual claimed a property tax exemption or reduction allowed on the basis of the individual's residence or domicile;
- (5) The location and value of abodes owned or leased by the individual;
- (6) Declarations, written or oral, made by the individual regarding the individual's residency;
- (7) The location of educational institutions attended by the individual's dependents as defined in section 152 of the Internal Revenue Code, to the extent that tuition paid to such educational institution is based on the residency of the individual or the individual's spouse in the municipal corporation or state where the educational institution is located;

(8) All applicable factors as provided in Ohio Revised Code Section 718.012.

(Source: ORC 718.012)

181.043 EXEMPTION FOR MEMBER OR EMPLOYEE OF GENERAL ASSEMBLY AND CERTAIN JUDGES

(A) Only the municipal corporation of residence shall be permitted to levy a tax on the income of any member or employee of the Ohio General Assembly, including the Lieutenant Governor, whose income is received as a result of services rendered as such member or employee and is paid from appropriated funds of this state.

(B) Only the municipal corporation of residence and the city of Columbus shall levy a tax on the income of the Chief Justice or a Justice of the Supreme Court received as a result of services rendered as the Chief Justice or Justice. Only the municipal corporation of residence shall levy a tax on the income of a judge sitting by assignment of the Chief Justice or on the income of a district court of appeals judge sitting in multiple locations within the district, received as a result of services rendered as a judge.

(Source: ORC 718.50)

181.05 COLLECTION AT SOURCE

181.051 COLLECTION AT SOURCE; WITHHOLDING FROM QUALIFYING WAGES

(A) (1) Each employer, agent of an employer, or other payer located or doing business in the Municipality shall withhold from each employee an amount equal to the qualifying wages of the employee earned by the employee in the Municipality multiplied by the applicable rate of the Municipality's income tax, except for qualifying wages for which withholding is not required under section 181.052 of this Chapter or division (D) or (F) of this section. An employer, agent of an employer, or other payer shall deduct and withhold the tax from qualifying wages on the date that the employer, agent, or other payer directly, indirectly, or constructively pays the qualifying wages to, or credits the qualifying wages to the benefit of, the employee.

(2) In addition to withholding the amounts required under division (A)(1) of this section, an employer, agent of an employer, or other payer may also deduct and withhold, on the request of an employee, taxes for the municipal corporation in which the employee is a resident.

(B) (1) An employer, agent of an employer, or other payer shall remit to the Tax Administrator of the Municipality the greater of the income taxes deducted and withheld or the income taxes required to be deducted and withheld by the employer, agent, or other payer, along with any report required by the Tax Administrator to accompany such payment, according to the following schedule:

(a) Any employer, agent of an employer, or other payer not required to make payments under division (B)(1)(b) or (B)(1)(c) of this section of taxes required to be deducted and withheld shall make quarterly payments to the Tax Administrator not later than the last day of the month following the end last day of each calendar quarter.

(b) Taxes required to be deducted and withheld shall be remitted monthly to the Tax Administrator if the total taxes deducted and withheld or required to be deducted and withheld by the employer, agent, or other payer on behalf of the municipal corporation in the preceding calendar year exceeded two thousand three hundred ninety-nine dollars, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of the Municipality in any month of the preceding calendar quarter exceeded two hundred dollars. Payment under division (B)(1)(b) of this section shall be made to the Tax Administrator not later than fifteen days after the last day of each month.

(c) Taxes required to be deducted and withheld shall be remitted semimonthly to the Tax Administrator if the total taxes deducted and withheld or required to be deducted on behalf of the Municipality in the preceding calendar year exceeded eleven thousand nine hundred ninety-nine dollars, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of the Municipality in any month of the preceding calendar year exceeded one thousand dollars. The payment under division (B)(1)(c) of this section shall be made to the Tax Administrator not later than one of the following:

(i) If the taxes were deducted and withheld or required to be deducted and withheld during the first fifteen days of a month, the third banking day after the fifteenth day of that month;

(ii) If the taxes were deducted and withheld or required to be deducted and withheld after the fifteenth day of a month and before the first day of the immediately following month, the third banking day after the last day of that month.

(d) An employer, agent of an employer or other payer is required to make payment by electronic funds transfer to the Tax Administrator of all taxes deducted and withheld on behalf of the employee for remittance to the Municipality if the employer, agent of an employer, or other payer is required to make payments electronically for the purpose of paying federal taxes withheld on payments to employees under section 6302 of the Internal Revenue Code, 26 C.F.R. 31.6302-1, or any other federal statute or regulation. The payment of tax by electronic funds transfer under this division does not affect an employer's, agent's, or other payer's obligation to file any return as required under this section. Once the

threshold for remitting payment electronically for federal purposes has been met, any accrued municipal income tax withheld from employee qualifying wages earned within the Municipality shall be remitted to the Municipality at the same time that the federal tax withholding payment is due.

(C) An employer, agent of an employer, or other payer shall make and file a return showing the amount of tax withheld by the employer, agent, or other payer from the qualifying wages of each employee and remitted to the Tax Administrator. A return filed by an employer, agent, or other payer under this division shall be accepted by the Municipality as the return required of an employee whose sole income subject to the tax under this chapter is the qualifying wages reported by the employee's employer, agent of an employer, or other payer, unless the Municipality requires all resident individual taxpayers to file a tax return under section 181.091 of this Chapter,

(D) An employer, agent of an employer, or other payer is not required to withhold municipal income tax 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 either the corporation with respect to whose stock the option has been issued or of such corporation's successor entity.

(E) (1) An employee is not relieved from liability for a tax by the failure of the employer, agent of an employer, or other payer to withhold the tax as required under this chapter or by the employer's, agent's, or other payer's exemption from the requirement to withhold the tax.

(2) The failure of an employer, agent of an employer, or other payer to remit to the Municipality the tax withheld relieves the employee from liability for that tax unless the employee colluded with the employer, agent, or other payer in connection with the failure to remit the tax withheld.

(F) Compensation deferred before June 26, 2003, 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.

(G) Each employer, agent of an employer, or other payer required to withhold taxes is liable for the payment of that amount required to be withheld, whether or not such taxes have been withheld, and such amount shall be deemed to be held in trust for the Municipality until such time as the withheld amount is remitted to the Tax Administrator.

(H) On or before the last day of February of each year, an employer shall file a Withholding Reconciliation Return with the Tax Administrator listing the names, addresses, and social security numbers of all employees from whose qualifying wages tax was withheld or should have been withheld for the Municipality during the preceding calendar year, the amount of tax withheld, if any, from each such employee's qualifying wage, the total amount of qualifying wages paid to such employee during the preceding calendar year, the name of every other municipal corporation for which tax was withheld or should have been withheld from such employee during the preceding calendar year, any other information required for federal income tax reporting purposes on Internal Revenue Service form W-2 or its equivalent form with respect to such employee, and other information as may be required by the Tax Administrator.

(I) The officer or the employee of the employer, agent of an employer, or other payer with control or direct supervision of or charged with the responsibility for withholding the tax or filing the reports and making payments as required by this section, shall be personally liable for a failure to file a report or pay the tax due as required by this section. The dissolution of an employer, agent of an employer, or other payer does not discharge the officer's or employee's liability for a failure of the employer, agent of an employer, or other payer to file returns or pay any tax due.

(J) An employer is required to deduct and withhold municipal income tax on tips and gratuities received by the employer's employees and constituting qualifying wages only to the extent that the tips and gratuities are under the employer's control. For the purposes of this division, a tip or gratuity is under the employer's control if the tip or gratuity is paid by the customer to the employer for subsequent remittance to the employee, or if the customer pays the tip or gratuity by credit card, debit card, or other electronic means.

(K) A Tax Administrator shall consider any tax withheld by an employer at the request of an employee when such tax is not otherwise required to be withheld by this Chapter to be tax required to be withheld and remitted for the purposes of this section.

(Source: ORC 718.03)

181.052 COLLECTION AT SOURCE; OCCASIONAL ENTRANT

(A) The following terms as used in this section:

- (1) "Employer" includes a person that is a related member to or of an employer.
- (2) "Professional athlete" means an athlete who performs services in a professional athletic event for wages or other remuneration.
- (3) "Professional entertainer" means a person who performs services in the professional performing arts for wages or other remuneration on a per-event basis.
- (4) "Public figure" means a person of prominence who performs services at discrete events, such as speeches, public appearances, or similar events, for wages or other remuneration on a per-event basis.
- (5) "Fixed location" means a permanent place of doing business in this state, such as an office, warehouse, storefront, or similar location owned or controlled by an employer.
- (6) "Worksite location" means a construction site or other temporary worksite in this state at which the employer provides services for more than twenty days during the calendar year. "Worksite location" does not include the home of an employee.
- (7) "Principal place of work" means the fixed location to which an employee is required to report for employment duties on a regular and ordinary basis. If the employee is not required to report for employment duties on a regular and ordinary basis to a fixed location, "principal place of work" means the worksite location in this state to which the employee is required to report for employment duties on a regular and ordinary basis. If the employee is not required to report for employment duties on a regular and ordinary basis to a fixed location or worksite location, "principal place of work" means the location in this state at which the employee spends the greatest number of days in a calendar year performing services for or on behalf of the employee's employer.

If there is not a single municipal corporation in which the employee spent the "greatest number of days in a calendar year" performing services for or on behalf of the employer, but instead there are two or more municipal corporations in which the employee spent an identical number of days that is greater than the number of days the employee spent in any other municipal corporation, the employer shall allocate any of the employee's qualifying wages subject to division (B)(1)(a) of this section among those two or more municipal corporations. The allocation shall be made using any fair and reasonable method, including, but not limited to, an equal allocation among such municipal corporations or an allocation based upon the time spent or sales made by the employee in each such municipal corporation. A municipal corporation to which qualifying wages are allocated under this division shall be the employee's "principal place of work" with respect to those qualifying wages for the purposes of this section.

For the purposes of this division, the location at which an employee spends a particular day shall be deemed in accordance with division (B)(2) of this section, except that "location" shall be substituted for "municipal corporation" wherever "municipal corporation" appears in that division.

(B) (1) Subject to divisions (C), (E), (F), and (G) of this section, an employer is not required to withhold municipal income tax on qualifying wages paid to an employee for the performance of personal services in a municipal corporation that imposes such a tax if the employee performed such services in the municipal corporation on twenty or fewer days in a calendar year, unless one of the following conditions applies:

- (a) The employee's principal place of work is located in the Municipality.
- (b) The employee performed services at one or more presumed worksite locations in the Municipality. For the purposes of this division, "presumed worksite location" means a construction site or other temporary worksite in this state at which the employer provides services that can reasonably be expected by the employer to last more than twenty days in a calendar year. Services can "reasonably be

expected by the employer to last more than twenty days" if either of the following applies at the time the services commence:

- (i) The nature of the services are such that it will require more than twenty days of actual services to complete the services;
- (ii) The agreement between the employer and its customer to perform services at a location requires the employer to perform actual services at the location for more than twenty days.
- (c) The employee is a resident of the Municipality and has requested that the employer withhold tax from the employee's qualifying wages as provided in section 181.051 of this Chapter.

(d) The employee is a professional athlete, professional entertainer, or public figure, and the qualifying wages are paid for the performance of services in the employee's capacity as a professional athlete, professional entertainer, or public figure within the Municipality.

(2) For the purposes of division (B)(1) of this section, an employee shall be considered to have spent a day performing services in a municipal corporation only if the employee spent more time performing services for or on behalf of the employer in that municipal corporation than in any other municipal corporation on that day. For the purposes of determining the amount of time an employee spent in a particular location, the time spent performing one or more of the following activities shall be considered to have been spent at the employee's principal place of work:

- (a) Traveling to the location at which the employee will first perform services for the employer for the day;
- (b) Traveling from a location at which the employee was performing services for the employer to any other location;
- (c) Traveling from any location to another location in order to pick up or load, for the purpose of transportation or delivery, property that has been purchased, sold, assembled, fabricated, repaired, refurbished, processed, remanufactured, or improved by the employee's employer;
- (d) Transporting or delivering property described in division (B)(2)(c) of this section, provided that, upon delivery of the property, the employee does not temporarily or permanently affix the property to real estate owned, used, or controlled by a person other than the employee's employer;
- (e) Traveling from the location at which the employee makes the employee's final delivery or pick-up for the day to either the employee's principal place of work or a location at which the employee will not perform services for the employer.

(C) If the principal place of work of an employee is located in a municipal corporation that imposes an income tax in accordance with this chapter, the exception from withholding requirements described in division (B)(1) of this section shall apply only if, with respect to the employee's qualifying wages described in that division, the employer withholds and remits tax on such qualifying wages to the municipal corporation in which the employee's principal place of work is located.

(D) (1) Except as provided in division (D)(2) of this section, if, during a calendar year, the number of days an employee spends performing personal services in a municipal corporation exceeds the twenty-day threshold described in division (B)(1) of this section, the employer shall withhold and remit tax to that municipal corporation for any subsequent days in that calendar year on which the employer pays qualifying wages to the employee for personal services performed in that municipal corporation.

(2) An employer required to begin withholding tax for a municipal corporation under division (D)(1) of this section may elect to withhold tax for that municipal corporation for the first twenty days on which the employer paid qualifying wages to the employee for personal services performed in that municipal corporation.

(3) If an employer makes the election described in division (D)(2) of this section, the taxes withheld and paid by such an employer during those first twenty days to the municipal corporation in which the employee's principal place of work is located are refundable to the employee.

(E) Without regard to the number of days in a calendar year on which an employee performs personal services in any municipal corporation, an employer shall withhold municipal income tax on all of the

employee's qualifying wages for a taxable year and remit that tax only to the municipal corporation in which the employer's fixed location is located if the employer qualifies as a small employer as defined in Section 181.03 of this Chapter. To determine whether an employer qualifies as a small employer for a taxable year, a Tax Administrator may require the employer to provide the Tax Administrator with the employer's federal income tax return for the preceding taxable year.

(F) Divisions (B)(1) and (D) of this section shall not apply to the extent that a Tax Administrator and an employer enter into an agreement regarding the manner in which the employer shall comply with the requirements of section 181.051 of this Chapter.

(G) In the case of a person performing personal services at a petroleum refinery located in a municipal corporation that imposes a tax on income, an employer is not required to withhold municipal income tax on the qualifying wages of such a person if the person performs those services on twelve or fewer days in a calendar year, unless the principal place of work of the employer is located in another municipal corporation in this state that imposes a tax applying to compensation paid to the person for services performed on those days and the person is not liable to that other municipal corporation for tax on the compensation paid for such services. For the purposes of this division, a petroleum refinery is a facility with a standard industrial classification code facility classification of 2911, petroleum refining.

Notwithstanding division (D) of this section, if, during a calendar year, the number of days an individual performs personal services at a petroleum refinery exceeds twelve, the employer shall withhold tax for the municipal corporation for the first twelve days for which the employer paid qualifying wages to the individual and for all subsequent days in the calendar year on which the individual performed services at the refinery.

(Source: ORC 718.011; ORC 718.01)

181.053 COLLECTION AT SOURCE; CASINO AND VLT

(A) The Municipality shall require a casino facility or a casino operator, as defined in Section 6(C)(9) of Article XV, Ohio Constitution, and section 3772.01 of the Ohio Revised Code, respectively, or a lottery sales agent conducting video lottery terminals sales on behalf of the state to withhold and remit municipal income tax with respect to amounts other than qualifying wages as provided in this section.

(B) If a person's winnings at a casino facility are an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, the casino operator shall deduct and withhold municipal income tax from the person's winnings at the rate of the tax imposed by the municipal corporation in which the casino facility is located.

(C) Amounts deducted and withheld by a casino operator are held in trust for the benefit of the municipal corporation to which the tax is owed.

(1) On or before the tenth day of each month, the casino operator shall file a return electronically with the Tax Administrator of the Municipality, providing the name, address, and social security number of the person from whose winnings amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the winnings from which each such amount was withheld, the type of casino gaming that resulted in such winnings, and any other information required by the Tax Administrator. With this return, the casino operator shall remit electronically to the Municipality all amounts deducted and withheld during the preceding month.

(2) Annually, on or before the thirty-first day of January, a casino operator shall file an annual return electronically with the Tax Administrator of the municipal corporation in which the casino facility is located, indicating the total amount deducted and withheld during the preceding calendar year. The casino operator shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.

(3) Annually, on or before the thirty-first day of January, a casino operator shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted from the person's winnings during the preceding year. The casino operator shall provide to the Tax Administrator a copy of each information return issued under this division. The Tax Administrator may require that such copies be transmitted electronically.

(4) A casino operator that fails to file a return and remit the amounts deducted and withheld shall be personally liable for the amount withheld and not remitted. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.

(5) If a casino operator sells the casino facility or otherwise quits the casino business, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld along with any penalties and interest thereon until the predecessor casino operator produces either of the following:

(a) A receipt from the Tax Administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;

(b) A certificate from the Tax Administrator indicating that no amounts are due. If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.

(6) The failure of a casino operator to deduct and withhold the required amount from a person's winnings does not relieve that person from liability for the municipal income tax with respect to those winnings.

(D) If a person's prize award from a video lottery terminal is an amount for which reporting to the internal revenue service is required by section 6041 of the Internal Revenue Code, as amended, the video lottery sales agent shall deduct and withhold municipal income tax from the person's prize award at the rate of the tax imposed by the municipal corporation in which the video lottery terminal facility is located.

(E) Amounts deducted and withheld by a video lottery sales agent are held in trust for the benefit of the municipal corporation to which the tax is owed.

(1) The video lottery sales agent shall issue to a person from whose prize award an amount has been deducted and withheld a receipt for the amount deducted and withheld, and shall obtain from the person receiving a prize award the person's name, address, and social security number in order to facilitate the preparation of returns required by this section.

(2) On or before the tenth day of each month, the video lottery sales agent shall file a return electronically with the Tax Administrator of the Municipality providing the names, addresses, and social security numbers of the persons from whose prize awards amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the prize award from which each such amount was withheld, and any other information required by the Tax Administrator. With the return, the video lottery sales agent shall remit electronically to the Tax Administrator all amounts deducted and withheld during the preceding month.

(3) A video lottery sales agent shall maintain a record of all receipts issued under division (E) of this section and shall make those records available to the Tax Administrator upon request. Such records shall be maintained in accordance with section 5747.17 of the Ohio Revised Code and any rules adopted pursuant thereto.

(4) Annually, on or before the thirty-first day of January, each video lottery terminal sales agent shall file an annual return electronically with the Tax Administrator of the municipal corporation in which the facility is located indicating the total amount deducted and withheld during the preceding calendar year. The video lottery sales agent shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.

(5) Annually, on or before the thirty-first day of January, a video lottery sales agent shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted and withheld from the person's prize award by the video lottery sales agent during the preceding year. A video lottery sales agent shall provide to the Tax Administrator of the municipal corporation a copy of each information return issued under this division. The Tax Administrator may require that such copies be transmitted electronically.

(6) A video lottery sales agent who fails to file a return and remit the amounts deducted and withheld is personally liable for the amount deducted and withheld and not remitted. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.

(F) If a video lottery sales agent ceases to operate video lottery terminals, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor of the video lottery sales agent that purchases the video lottery terminals from the agent shall withhold an amount from the purchase money that is sufficient to cover the amounts deducted and withheld and any penalties and interest thereon until the predecessor video lottery sales agent operator produces either of the following:

(1) A receipt from the Tax Administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;

(2) A certificate from the Tax Administrator indicating that no amounts are due. If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.

(G) The failure of a video lottery sales agent to deduct and withhold the required amount from a person's prize award does not relieve that person from liability for the municipal income tax with respect to that prize award.

(H) If a casino operator or lottery sales agent files a return late, fails to file a return, remits amount deducted and withheld late, or fails to remit amounts deducted and withheld as required under this section, the Tax Administrator of a municipal corporation may impose the following applicable penalty:

(1) For the late remittance of, or failure to remit, tax deducted and withheld under this section, a penalty equal to fifty percent of the tax deducted and withheld;

(2) For the failure to file, or the late filing of, a monthly or annual return, a penalty of five hundred dollars for each return not filed or filed late. Interest shall accrue on past due amounts deducted and withheld at the rate prescribed in section 5703.47 of the Ohio Revised Code.

(I) Amounts deducted and withheld on behalf of a municipal corporation shall be allowed as a credit against payment of the tax imposed by the municipal corporation and shall be treated as taxes paid for purposes of section 181.07 of this Chapter. This division applies only to the person for whom the amount is deducted and withheld.

(J) The Tax Administrator shall prescribe the forms of the receipts and returns required under this section.

(Source: ORC 718.031)

181.06 INCOME SUBJECT TO NET PROFIT TAX

181.061 DETERMINING MUNICIPAL TAXABLE INCOME FOR TAXPAYERS WHO ARE NOT INDIVIDUALS

“Municipal Taxable Income” for a taxpayer who is not an individual for the Municipality is calculated as follows:

(A) "Income" reduced by "Exempt Income" to the extent otherwise included in income, multiplied by apportionment, further reduced by any "Pre-2017 Net Operating Loss Carryforward" equals "Municipal Taxable Income".

- (1) "Income" for a taxpayer that is not an individual means the "Net Profit" of the taxpayer.
- (i) "Net Profit" for a person other than an individual is defined in Section 181.03(34).
- (ii) "Adjusted Federal Taxable Income" is defined in Section 181.03(1) of this Chapter.
- (2) "Exempt Income" is defined in Section 181.03(18) of this Chapter.
- (3) "Apportionment" means the apportionment as determined by Section 181.062 of this Chapter.
- (4) "Pre-2017 Net Operating Loss Carryforward" is defined in Section 181.03 (47) of this Chapter.

(Source: ORC 718.01)

181.062 NET PROFIT; INCOME SUBJECT TO NET PROFIT TAX; ALTERNATIVE APPORTIONMENT

This section applies to any taxpayer engaged in a business or profession in the Municipality unless the taxpayer is an individual who resides in the Municipality or the taxpayer is an electric company, combined company, or telephone company that is subject to and required to file reports under Chapter 5745 of the Ohio Revised Code.

(A) Except as otherwise provided in division (B) of this section, net profit from a business or profession conducted both within and without the boundaries of the Municipality shall be considered as having a taxable situs in the Municipality for purposes of municipal income taxation in the same proportion as the average ratio of the following:

(1) The average original cost of the real property and tangible personal property owned or used by the taxpayer in the business or profession in the Municipality 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, tangible personal or 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;

(2) Wages, salaries, and other compensation paid during the taxable period to individuals employed in the business or profession for services performed in the Municipality to wages, salaries, and other compensation paid during the same period to individuals employed in the business or profession, wherever the individual's services are performed, excluding compensation from which taxes are not required to be withheld under section 181.052 of this Chapter;

(3) Total gross receipts of the business or profession from sales and rentals made and services performed during the taxable period in the Municipality to total gross receipts of the business or profession during the same period from sales, rentals, and services, wherever made or performed.

(B) (1) If the apportionment factors described in division (A) of this section do not fairly represent the extent of a taxpayer's business activity in the Municipality, the taxpayer may request, or the Tax Administrator of the Municipality may require, that the taxpayer use, with respect to all or any portion of the income of the taxpayer, an alternative apportionment method involving one or more of the following:

- (a) Separate accounting;
- (b) The exclusion of one or more of the factors;
- (c) The inclusion of one or more additional factors that would provide for a fairer apportionment of the income of the taxpayer to the Municipality;
- (d) A modification of one or more of the factors.

(2) A taxpayer request to use an alternative apportionment method shall be in writing and shall accompany a tax return, timely filed appeal of an assessment, or timely filed amended tax return. The

taxpayer may use the requested alternative method unless the Tax Administrator denies the request in an assessment issued within the period prescribed by division (A) of Section 181.19 of this Chapter.

(3) A Tax Administrator may require a taxpayer to use an alternative apportionment method as described in division (B)(1) of this section only by issuing an assessment to the taxpayer within the period prescribed by division (A) of Section 181.19 of this Chapter.

(4) Nothing in division (B) of this section nullifies or otherwise affects any alternative apportionment arrangement approved by a Tax Administrator or otherwise agreed upon by both the Tax Administrator and taxpayer before January 1, 2016.

(C) As used in division (A)(2) of this section, "wages, salaries, and other compensation" includes only wages, salaries, or other compensation paid to an employee for services performed at any of the following locations:

(1) A location that is owned, controlled, or used by, rented to, or under the possession of one of the following:

- (a) The employer;
- (b) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;
- (c) A vendor, customer, client, or patient of a person described in division (C)(1)(b) of this section, or a related member of such a vendor, customer, client, or patient.

(2) Any location at which a trial, appeal, hearing, investigation, inquiry, review, court-martial, or similar administrative, judicial, or legislative matter or proceeding is being conducted, provided that the compensation is paid for services performed for, or on behalf of, the employer or that the employee's presence at the location directly or indirectly benefits the employer;

(3) Any other location, if the Tax Administrator determines that the employer directed the employee to perform the services at the other location in lieu of a location described in division (C)(1) or (2) of this section solely in order to avoid or reduce the employer's municipal income tax liability. If a Tax Administrator makes such a determination, the employer may dispute the determination by establishing, by a preponderance of the evidence, that the Tax Administrator's determination was unreasonable.

(D) For tax years beginning on and after January 1, 2018, for the purposes of division (A)(3) of this section, receipts from sales and rentals made and services performed shall be situated to a municipal corporation as follows:

(1) Gross receipts from the sale of tangible personal property shall be situated to the municipal corporation only if, regardless of where title passes, the property meets either of the following criteria:

- (a) The property is shipped to or delivered within the municipal corporation from a stock of goods located within the municipal corporation.
- (b) The property is delivered within the municipal corporation from a location outside the municipal corporation, provided 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.

(2) Gross receipts from the sale of services shall be situated to the municipal corporation to the extent that such services are performed in the municipal corporation.

(3) To the extent included in income, gross receipts from the sale of real property located in the municipal corporation shall be situated to the municipal corporation.

(4) To the extent included in income, gross receipts from rents and royalties from real property located in the municipal corporation shall be situated to the municipal corporation.

(5) Gross receipts from rents and royalties from tangible personal property shall be situated to the municipal corporation based upon the extent to which the tangible personal property is used in the municipal corporation.

(E) For tax years beginning prior to January 1, 2018, for the purposes of division (A)(3) of this section, receipts from sales and rentals made and services performed shall be situated to a municipal corporation as follows:

(1) Gross receipts from the sale of tangible personal property shall be situated to the municipal corporation in which the sale originated. For the purposes of this division, a sale of property originates in a municipal corporation if, regardless of where title passes, the property meets any of the following criteria:

(a) The property is shipped to or delivered within the municipal corporation from a stock of goods located within the municipal corporation.

(b) The property is delivered within the municipal corporation from a location outside the municipal corporation, provided 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.

(c) The property is shipped from a place within the municipal corporation to purchasers outside the municipal corporation, provided that the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.

(2) Gross receipts from the sale of services shall be situated to the municipal corporation to the extent that such services are performed in the municipal corporation.

(3) To the extent included in income, gross receipts from the sale of real property located in the municipal corporation shall be situated to the municipal corporation.

(4) To the extent included in income, gross receipts from rents and royalties from real property located in the municipal corporation shall be situated to the municipal corporation.

(5) Gross receipts from rents and royalties from tangible personal property shall be situated to the municipal corporation based upon the extent to which the tangible personal property is used in the municipal corporation.

(F) The net profit received by an individual taxpayer from the rental of real estate owned directly by the individual or by a disregarded entity owned by the individual shall be subject to tax only by the municipal corporation in which the property generating the net profit is located and the municipal corporation in which the individual taxpayer that receives the net profit resides.

A municipal corporation shall allow such taxpayers to elect to use separate accounting for the purpose of calculating net profit situated under this division to the municipal corporation in which the property is located.

(G) (1) Except as provided in division (G)(2) of this section, commissions received by a real estate agent or broker relating to the sale, purchase, or lease of real estate shall be situated to the municipal corporation in which the real estate is located. Net profit reported by the real estate agent or broker shall be allocated to a municipal corporation based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in the municipal corporation to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.

(2) An individual who is a resident of a municipal corporation that imposes a municipal income tax shall report the individual's net profit from all real estate activity on the individual's annual tax return for that municipal corporation. The individual may claim a credit for taxes the individual paid on such net profit to another municipal corporation to the extent that such credit is allowed under Section 181.081 of this Chapter.

(H) If, in computing a taxpayer's adjusted federal taxable income, the taxpayer deducted any amount with respect to a stock option granted to an employee, and if the employee is not required to include in the employee's income any such amount or a portion thereof because it is exempted from taxation under divisions (18)(L) and (49)(A)(iv) of Section 181.03 of this Chapter, by a municipal corporation to which the taxpayer has apportioned a portion of its net profit, the taxpayer shall add the amount that is exempt from taxation to the taxpayer's net profit that was apportioned to that municipal corporation. In no case shall a taxpayer be required to add to its net profit that was apportioned to that municipal corporation any amount other than the amount upon which the employee would be required to pay tax were the amount related to the stock option not exempted from taxation.

This division applies solely for the purpose of making an adjustment to the amount of a taxpayer's net profit that was apportioned to a municipal corporation under this section.

(I) When calculating the ratios described in division (A) of this section for the purposes of that division or division (B) of this section, the owner of a disregarded entity shall include in the owner's ratios the property, payroll, and gross receipts of such disregarded entity.

(Source: ORC 718.02)

181.063 CONSOLIDATED FEDERAL INCOME TAX RETURN

(A) As used in this section:

(1) "Affiliated group of corporations" means an affiliated group as defined in section 1504 of the Internal Revenue Code, except that, if such a group includes at least one incumbent local exchange carrier that is primarily engaged in the business of providing local exchange telephone service in this state, the affiliated group shall not include any incumbent local exchange carrier that would otherwise be included in the group.

(2) "Consolidated federal income tax return" means a consolidated return filed for federal income tax purposes pursuant to section 1501 of the Internal Revenue Code.

(3) "Consolidated federal taxable income" means the consolidated taxable income of an affiliated group of corporations, as computed for the purposes of filing a consolidated federal income tax return, before consideration of net operating losses or special deductions. "Consolidated federal taxable income" does not include income or loss of an incumbent local exchange carrier that is excluded from the affiliated group under division (A)(1) of this section.

(4) "Incumbent local exchange carrier" has the same meaning as in section 4927.01 of the Revised Code.

(5) "Local exchange telephone service" has the same meaning as in section 5727.01 of the Revised Code.

(B) (1) For taxable years beginning on or after January 1, 2016, a taxpayer that is a member of an affiliated group of corporations may elect to file a consolidated municipal income tax return for a taxable year if at least one member of the affiliated group of corporations is subject to the municipal income tax in that taxable year and if the affiliated group of corporations filed a consolidated federal income tax return with respect to that taxable year.

(a) The election is binding for a five-year period beginning with the first taxable year of the initial election unless a change in the reporting method is required under federal law.

(b) The election continues to be binding for each subsequent five-year period unless the taxpayer elects to discontinue filing consolidated municipal income tax returns under division (B)(2) of this section; or

(c) A taxpayer receives permission from the Tax Administrator. The Tax Administrator shall approve such a request for good cause shown.

(2) An election to discontinue filing consolidated municipal income tax returns under this section must be made in the first year following the last year of a five-year consolidated municipal income tax return election period in effect under division (B)(1) of this section. The election to discontinue filing a consolidated municipal income tax return is binding for a five-year period beginning with the first taxable year of the election.

(3) An election made under division (B)(1) or (2) of this section is binding on all members of the affiliated group of corporations subject to a municipal income tax.

(4) For tax years beginning on and after January 1, 2018, when a taxpayer makes the election allowed under section 718.80 of the Revised Code, a valid election made by the taxpayer under division (B)(1) or (2) of this section is binding upon the tax commissioner for the remainder of the five-year period.

(5) For tax years beginning on and after January 1, 2018, when an election made under section 718.80 of the Revised Code is terminated, a valid election made under section 718.86 of the Revised Code is binding upon the Tax Administrator for the remainder of the five-year period.

(C) A taxpayer that is a member of an affiliated group of corporations that filed a consolidated federal income tax return for a taxable year shall file a consolidated municipal income tax return for that taxable year if the Tax Administrator determines, by a preponderance of the evidence, that intercompany transactions have not been conducted at arm's length and that there has been a distortive shifting of income or expenses with regard to allocation of net profits to the municipal corporation. A taxpayer that is required to file a consolidated municipal income tax return for a taxable year shall file a consolidated municipal income tax return for all subsequent taxable years unless the taxpayer requests and receives written permission from the Tax Administrator to file a separate return or a taxpayer has experienced a change in circumstances.

(D) A taxpayer shall prepare a consolidated municipal income tax return in the same manner as is required under the United States Department of Treasury regulations that prescribe procedures for the preparation of the consolidated federal income tax return required to be filed by the common parent of the affiliated group of which the taxpayer is a member.

(E) (1) Except as otherwise provided in divisions (E)(2), (3), and (4) of this section, corporations that file a consolidated municipal income tax return shall compute adjusted federal taxable income, as defined in section 181.03(1) of this Chapter, by substituting "consolidated federal taxable income" for "federal taxable income" wherever "federal taxable income" appears in that division and by substituting "an affiliated group of corporation's" for "a C corporation's" wherever "a C corporation's" appears in that division.

(2) No corporation filing a consolidated municipal income tax return shall make any adjustment otherwise required under division (1) of 181.03 of this Chapter to the extent that the item of income or deduction otherwise subject to the adjustment has been eliminated or consolidated in the computation of consolidated federal taxable income.

(3) If the net profit or loss of a pass-through entity having at least eighty percent of the value of its ownership interest owned or controlled, directly or indirectly, by an affiliated group of corporations is included in that affiliated group's consolidated federal taxable income for a taxable year, the corporation filing a consolidated municipal income tax return shall do one of the following with respect to that pass-through entity's net profit or loss for that taxable year:

(a) Exclude the pass-through entity's net profit or loss from the consolidated federal taxable income of the affiliated group and, for the purpose of making the computations required in Section 181.062 of this Chapter, exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation. If the entity's net profit or loss is so excluded, the entity shall be subject to taxation as a separate taxpayer on the basis of the entity's net profits that would otherwise be included in the consolidated federal taxable income of the affiliated group.

(b) Include the pass-through entity's net profit or loss in the consolidated federal taxable income of the affiliated group and, for the purpose of making the computations required in Section 181.062 of this Chapter, include the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation. If the entity's net profit or loss is so included, the entity shall not be subject to taxation as a separate taxpayer on the basis of the entity's net profits that are included in the consolidated federal taxable income of the affiliated group.

(4) If the net profit or loss of a pass-through entity having less than eighty percent of the value of its ownership interest owned or controlled, directly or indirectly, by an affiliated group of corporations is included in that affiliated group's consolidated federal taxable income for a taxable year, all of the following shall apply:

(a) The corporation filing the consolidated municipal income tax return shall exclude the pass-through entity's net profit or loss from the consolidated federal taxable income of the affiliated group and, for the purposes of making the computations required in Section 181.062 of this Chapter, exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation;

(b) The pass-through entity shall be subject to municipal income taxation as a separate taxpayer in accordance with this chapter on the basis of the entity's net profits that would otherwise be included in the consolidated federal taxable income of the affiliated group.

(F) Corporations filing a consolidated municipal income tax return shall make the computations required under Section 181.062 of this Chapter by substituting "consolidated federal taxable income attributable to" for "net profit from" wherever "net profit from" appears in that section and by substituting "affiliated group of corporations" for "taxpayer" wherever "taxpayer" appears in that section.

(G) Each corporation filing a consolidated municipal income tax return is jointly and severally liable for any tax, interest, penalties, fines, charges, or other amounts imposed by a municipal corporation in accordance with this chapter on the corporation, an affiliated group of which the corporation is a member for any portion of the taxable year, or any one or more members of such an affiliated group.

(H) Corporations and their affiliates that made an election or entered into an agreement with a municipal corporation before January 1, 2016, to file a consolidated or combined tax return with such municipal corporation may continue to file consolidated or combined tax returns in accordance with such election or agreement for taxable years beginning on and after January 1, 2016.

(Source: ORC 718.06)

181.064 TAX CREDIT FOR BUSINESSES THAT FOSTER NEW JOBS IN OHIO

The Municipality, by Ordinance or Resolution, may grant a refundable or nonrefundable credit against its tax on income to a taxpayer to foster job creation in the Municipality. If a credit is granted under this section, it shall be measured as a percentage of the new income tax revenue the Municipality derives from new employees of the taxpayer and shall be for a term not exceeding fifteen years. Before the Municipality passes an ordinance granting a credit, the Municipality and the taxpayer shall enter into an agreement specifying all the conditions of the credit.

(Source: ORC 718.15)

181.065 TAX CREDITS TO FOSTER JOB RETENTION

The Municipality, by Ordinance, may grant a refundable or nonrefundable credit against its tax on income to a taxpayer for the purpose of fostering job retention in the Municipality. If a credit is granted under this section, it shall be measured as a percentage of the income tax revenue the Municipality derives from the retained employees of the taxpayer, and shall be for a term not exceeding fifteen years. Before the Municipality passes an ordinance allowing such a credit, the Municipality and the taxpayer shall enter into an agreement specifying all the conditions of the credit.

(Source: ORC 718.151)

181.07 DECLARATION OF ESTIMATED TAX

(A) As used in this section:

(1) "Estimated taxes" means the amount that the taxpayer reasonably estimates to be the taxpayer's tax liability for a municipal corporation's income tax for the current taxable year.

(2) "Tax liability" means the total taxes due to a municipal corporation for the taxable year, after allowing any credit to which the taxpayer is entitled, and after applying any estimated tax payment, withholding payment, or credit from another taxable year.

(B) (1) Except as provided in division (F) of this section, every taxpayer shall make a declaration of estimated taxes for the current taxable year, on the form prescribed by the Tax Administrator, if the amount payable as estimated taxes is at least two hundred dollars. For the purposes of this section:

(a) Taxes withheld from qualifying wages shall be considered as paid to the municipal corporation for which the taxes were withheld in equal amounts on each payment date. If the taxpayer establishes the dates on which all amounts were actually withheld, the amounts withheld shall be considered as paid on the dates on which the amounts were actually withheld.

(b) An overpayment of tax applied as a credit to a subsequent taxable year is deemed to be paid on the date of the postmark stamped on the cover in which the payment is mailed or, if the payment is made by electronic funds transfer, the date the payment is submitted. As used in this division, "date of the postmark" means, in the event there is more than one date on the cover, the earliest date imprinted on the cover by the postal service.

(c) Taxes withheld by a casino operator or by a lottery sales agent under section 718.031 of the Ohio Revised Code are deemed to be paid to the municipal corporation for which the taxes were withheld on the date the taxes are withheld from the taxpayer's winnings.

(2) Except as provided in division (F) of this section, taxpayers filing joint returns shall file joint declarations of estimated taxes. A taxpayer may amend a declaration under rules prescribed by the tax administrator. Except as provided in division (F) of this section, a taxpayer having a taxable year of less than twelve months shall make a declaration under rules prescribed by the tax administrator.

(3) The declaration of estimated taxes shall be filed on or before the date prescribed for the filing of municipal income tax returns under division (G) of Section 181.091 of this Chapter or on or before the fifteenth day of the fourth month after the taxpayer becomes subject to tax for the first time.

(4) Taxpayers reporting on a fiscal year basis shall file a declaration on or before the fifteenth day of the fourth month after the beginning of each fiscal year or period.

(5) The original declaration or any subsequent amendment may be increased or decreased on or before any subsequent quarterly payment day as provided in this section.

(C) (1) The required portion of the tax liability for the taxable year that shall be paid through estimated taxes made payable to the Municipality or Tax Administrator, including the application of tax refunds to estimated taxes and withholding on or before the applicable payment date, shall be as follows:

(a) On or before the fifteenth day of the fourth month after the beginning of the taxable year, twenty-two and one-half percent of the tax liability for the taxable year;

(b) On or before the fifteenth day of the sixth month after the beginning of the taxable year, forty-five percent of the tax liability for the taxable year;

(c) On or before the fifteenth day of the ninth month after the beginning of the taxable year, sixty-seven and one-half percent of the tax liability for the taxable year;

(d) On or before the fifteenth day of the twelfth month of the taxable year, ninety percent of the tax liability for the taxable year; provided, however, for tax years beginning on and after January 1, 2018 for an individual, on or before the fifteenth day of the first month of the following taxable year, ninety percent of the tax liability for the taxable year. For a person other than an individual, on or before the fifteenth day of the twelfth month of the taxable year, ninety percent of the tax liability for the taxable year.

(2) A taxpayer may amend a declaration under rules prescribed by the Tax Administrator. When an amended declaration has been filed, the unpaid balance shown due on the amended declaration shall be paid in equal installments on or before the remaining payment dates.

(3) On or before the fifteenth day of the fourth month of the year following that for which the declaration or amended declaration was filed, an annual return shall be filed and any balance which may be due shall be paid with the return in accordance with section 181.091 of this Chapter.

(D) (1) In the case of any underpayment of any portion of a tax liability, penalty and interest may be imposed pursuant to section 181.10 of this Chapter upon the amount of underpayment for the period of underpayment, unless the underpayment is due to reasonable cause as described in division (E) of this section. The amount of the underpayment shall be determined as follows:

(a) For the first payment of estimated taxes each year, twenty-two and one-half percent of the tax liability, less the amount of taxes paid by the date prescribed for that payment;

(b) For the second payment of estimated taxes each year, forty-five percent of the tax liability, less the amount of taxes paid by the date prescribed for that payment;

(c) For the third payment of estimated taxes each year, sixty-seven and one-half percent of the tax liability, less the amount of taxes paid by the date prescribed for that payment;

(d) For the fourth payment of estimated taxes each year, ninety percent of the tax liability, less the amount of taxes paid by the date prescribed for that payment.

(2) The period of the underpayment shall run from the day the estimated payment was required to be made to the date on which the payment is made. For purposes of this section, a payment of estimated taxes on or before any payment date shall be considered a payment of any previous underpayment only to the extent the payment of estimated taxes exceeds the amount of the payment presently required to be paid to avoid any penalty.

(E) An underpayment of any portion of tax liability determined under division (D) of this section shall be due to reasonable cause and the penalty imposed by this section shall not be added to the taxes for the taxable year if any of the following apply:

(1) The amount of estimated taxes that were paid equals at least ninety percent of the tax liability for the current taxable year, determined by annualizing the income received during the year up to the end of the month immediately preceding the month in which the payment is due.

(2) The amount of estimated taxes that were paid equals at least one hundred percent of the tax liability shown on the return of the taxpayer for the preceding taxable year, provided that the immediately preceding taxable year reflected a period of twelve months and the taxpayer filed a return with the municipal corporation under Section 181.091 of this Chapter for that year.

(3) The taxpayer is an individual who resides in the Municipality but was not domiciled there on the first day of January of the calendar year that includes the first day of the taxable year.

(F) A Tax Administrator may waive the requirement for filing a declaration of estimated taxes for any class of taxpayers after finding that the waiver is reasonable and proper in view of administrative costs and other factors.

(Source: 718.08)

181.08 CREDIT FOR TAX PAID

181.081 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY

Limitation. Where a Resident of Fairfield is subject to a municipal income tax in another Municipality he shall not pay a total municipal income tax on the same income greater than the tax imposed at the higher rate. Credit is not given to School or County tax paid.

Credits to Residents. Resident individuals of Fairfield who are required to pay and do pay, a tax to another municipality on salaries, wages, commissions or other compensation for work done or services performed in such other municipality, or a Net Profits from Businesses, professions or other activities conducted in such other municipality, may claim a credit of the amount of tax paid by them or on their behalf for the same taxable period to such other municipality but only to the extent of the tax imposed by this chapter on such compensation or Net Profits.

Method of Applying for Credit. No credit will be given unless the Taxpayer claims such on his final return or other form prescribed by the Tax Administrator, and presents such evidence of the payment of a similar tax to only another municipality, as the Tax Administrator may require.

(1). Tax credit for taxes paid to another City is limited to the income determined to be taxable by the Tax Administrator or designee. The credit allowed is limited to the income taxed by another City. The credit allowed for taxes paid to another Municipality whose rate is higher than Fairfield's rate is calculated by dividing the tax withheld by that City's tax rate and multiplying that income by the tax rate imposed by

this chapter. A taxpayer who pays a tax to a City whose rate is less than the tax rate imposed by this chapter shall only receive credit for the tax paid. No excess tax withheld for a Municipality whose rate is higher than Fairfield's rate shall apply to income taxed by another Municipality whose rate is lower than Fairfield's rate.

(2). Tax credit for taxes paid by a resident on his net profits shall be limited to the income determined to be taxable by the Tax Administrator or designee. If the taxpayer pays directly to another Municipality for his unincorporated entity but has additional unincorporated entities sustaining losses, the tax credit allowed will be reduced to the net taxable income recognized by the City. No taxes paid to another Municipality will be credited or refunded or applied to other income of the taxpayer.

(3). A refund must be claimed by the taxpayer or his employer within three (3) years of the date of filing the final return for the year for which such refund is claimed. The Tax Administrator shall prescribe rules for verification.

A statement satisfactory to the Tax Administrator from the taxing authority of the Municipality to which the taxes are paid that a Fairfield Resident or his Employer is paying the tax shall be considered as fulfilling the requirement of this article.

181.082 REFUNDABLE CREDIT FOR QUALIFYING LOSS

(A) As used in this section:

(1) "Nonqualified deferred compensation plan" means a compensation plan described in section 3121(v)(2)(C) of the Internal Revenue Code.

(2) (a) Except as provided in division (A)(2)(b) of this section, "qualifying loss" means the excess, if any, of the total amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan over the total amount of income the taxpayer has recognized for federal income tax purposes for all taxable years on a cumulative basis as compensation with respect to the taxpayer's receipt of money and property attributable to distributions in connection with the nonqualified deferred compensation plan.

(b) If, for one or more taxable years, the taxpayer has not paid to one or more municipal corporations income tax imposed on the entire amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan, then the "qualifying loss" is the product of the amount resulting from the calculation described in division (A)(2)(a) of this section computed without regard to division (A)(2)(b) of this section and a fraction the numerator of which is the portion of such compensation on which the taxpayer has paid income tax to one or more municipal corporations and the denominator of which is the total amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan.

(c) With respect to a nonqualified deferred compensation plan, the taxpayer sustains a qualifying loss only in the taxable year in which the taxpayer receives the final distribution of money and property pursuant to that nonqualified deferred compensation plan.

(3) "Qualifying tax rate" means the applicable tax rate for the taxable year for the which the taxpayer paid income tax to a municipal corporation with respect to any portion of the total amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan. If different tax rates applied for different taxable years, then the "qualifying tax rate" is a weighted average of those different tax rates. The weighted average shall be based upon the tax paid to the municipal corporation each year with respect to the nonqualified deferred compensation plan.

(B) (1) Except as provided in division (D) of this section, a refundable credit shall be allowed against the income tax imposed by a municipal corporation for each qualifying loss sustained by a taxpayer during the taxable year. The amount of the credit shall be equal to the product of the qualifying loss and the qualifying tax rate.

(2) A taxpayer shall claim the credit allowed under this section from each municipal corporation to which the taxpayer paid municipal income tax with respect to the nonqualified deferred compensation plan in one or more taxable years.

(3) If a taxpayer has paid tax to more than one municipal corporation with respect to the nonqualified deferred compensation plan, the amount of the credit that a taxpayer may claim from each municipal corporation shall be calculated on the basis of each municipal corporation's proportionate share of the total municipal corporation income tax paid by the taxpayer to all municipal corporations with respect to the nonqualified deferred compensation plan.

(4) In no case shall the amount of the credit allowed under this section exceed the cumulative income tax that a taxpayer has paid to a municipal corporation for all taxable years with respect to the nonqualified deferred compensation plan.

(C) (1) For purposes of this section, municipal corporation income tax that has been withheld with respect to a nonqualified deferred compensation plan shall be considered to have been paid by the taxpayer with respect to the nonqualified deferred compensation plan.

(2) Any municipal income tax that has been refunded or otherwise credited for the benefit of the taxpayer with respect to a nonqualified deferred compensation plan shall not be considered to have been paid to the municipal corporation by the taxpayer.

(D) The credit allowed under this section is allowed only to the extent the taxpayer's qualifying loss is attributable to:

(1) The insolvency or bankruptcy of the employer who had established the nonqualified deferred compensation plan; or

(2) The employee's failure or inability to satisfy all of the employer's terms and conditions necessary to receive the nonqualified deferred compensation.

(Source: ORC 718.021)

181.083 CREDIT FOR PERSON WORKING IN JOINT ECONOMIC DEVELOPMENT DISTRICT OR ZONE

A Municipality shall grant a credit against its tax on income to a resident of the Municipality who works in a joint economic development zone created under section [715.691](#) or a joint economic development district created under section [715.70](#), [715.71](#), or [715.72](#) of the Ohio Revised Code to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation, pursuant to Section 181.081 of this Chapter.

Specific provisions of this chapter may be modified as they apply to Joint Economic Development Districts or Zones if the modifications are passed by Council in an ordinance which either specifically approves a Joint Economic Development District or Zone contract or specifically amends this chapter. The Finance Director shall, subject to the approval of Council, have the authority to enter into an agreement with another political subdivision for the division of the tax imposed on the qualifying wages, commissions, other compensation and other income received by residents or nonresidents of the City.

(Source: ORC 718.16)

181.084 CREDIT FOR TAX BEYOND STATUTE FOR OBTAINING REFUND

(A) Except as provided in division (B) of this section, if tax or withholding is paid to a municipal corporation on income or wages, and if the City imposes or assesses a tax on that income or wages after the time period allowed for a refund of the tax or withholding paid to the other municipal corporation, the City shall allow a nonrefundable credit, against the tax or withholding the City claims is due with respect to such income or wages, equal to the tax or withholding paid to the other municipal corporation with respect to such income or wages.

(B) If the tax rate in the City is less than the tax rate in the other municipal corporation, then the credit described in division (A) of this section shall be calculated using the tax rate in effect in the City.

(C) If the tax rate in the City is greater than the tax rate in the other municipal corporation, the tax due in excess of the credit afforded is to be paid to the City, along with any penalty and interest accruing thereto during the period of nonpayment.

(D) Nothing in this section permits any credit carryforward.

(Source: ORC 718.121)

181.09 ANNUAL RETURN

181.091 RETURN AND PAYMENT OF TAX

(A) (1) An annual return with respect to the income tax levied on Municipal Taxable Income by the Municipality shall be completed and filed by every taxpayer for any taxable year for which the taxpayer is subject to the tax, regardless of whether or not income tax is due.

(2) The Tax Administrator shall accept on behalf of all nonresident individual taxpayers a return filed by an employer, agent of an employer, or other payer located in the Municipality under subsection 181.051(C) of this Chapter when the nonresident individual taxpayer's sole income subject to the tax is the qualifying wages reported by the employer, agent of an employer, or other payer, and no additional tax is due to the Municipality.

(3) All resident individual taxpayers, eighteen years of age and older, shall file an annual municipal income tax return with the Municipality, regardless of income or liability.

(B) If an individual is deceased, any return or notice required of that individual shall be completed and filed by that decedent's executor, administrator, or other person charged with the property of that decedent.

(C) If an individual is unable to complete and file a return or notice required by the Municipality in accordance with this chapter, the return or notice required of that individual shall be completed and filed by the individual's duly authorized agent, guardian, conservator, fiduciary, or other person charged with the care of the person or property of that individual. Such duly authorized agent, guardian, conservator, fiduciary, or other person charged with the care of the person or property of that individual shall provide, with the filing of the return, appropriate documentation to support that they are authorized to file a return or notice on behalf of the taxpayer. This notice shall include any legally binding authorizations, and contact information including name, address, and phone number of the duly authorized agent, guardian, conservator, fiduciary, or other person.

(D) Returns or notices required of an estate or a trust shall be completed and filed by the fiduciary of the estate or trust. Such fiduciary shall provide, with the filing of the return, appropriate documentation to support that they are authorized to file a return or notice on behalf of the taxpayer. This notice shall include any legally binding authorizations, and contact information including name, address, and phone number of the fiduciary.

(E) No municipal corporation shall deny spouses the ability to file a joint return.

(F) (1) Each return required to be filed under this section shall contain the signature of the taxpayer or the taxpayer's duly authorized agent and of the person who prepared the return for the taxpayer, and shall include the taxpayer's social security number or taxpayer identification number. Each return shall be verified by a declaration under penalty of perjury.

(2) A taxpayer who is an individual is required to include, with each annual return, amended return, or request for refund required under this section, copies of only the following documents: all of the taxpayer's Internal Revenue Service form W-2, "Wage and Tax Statements," including all information reported on the taxpayer's federal W-2, as well as taxable wages reported or withheld for any municipal corporation; the taxpayer's Internal Revenue Service form 1040 or, in the case of a return or request required by a qualified municipal corporation, Ohio form IT-1040; and, with respect to an amended tax return or refund request, any other documentation necessary to support the refund request or the adjustments made in the amended return. An individual taxpayer who files the annual return required by

this section electronically is not required to provide paper copies of any of the foregoing to the Tax Administrator unless the Tax Administrator requests such copies after the return has been filed.

(3) A taxpayer that is not an individual is required to include, with each annual net profit return, amended net profit return, or request for refund required under this section, copies of only the following documents: the taxpayer's Internal Revenue Service form 1041, form 1065, form 1120, form 1120-REIT, form 1120F, or form 1120S, and, with respect to an amended tax return or refund request, any other documentation necessary to support the refund request or the adjustments made in the amended return.

(4) A taxpayer that is not an individual and that files an annual net profit return electronically through the Ohio Business Gateway or in some other manner shall either mail the documents required under this division to the Tax Administrator at the time of filing or, if electronic submission is available, submit the documents electronically through the Ohio Business Gateway or a portal provided by Municipality. The department of taxation shall publish a method of electronically submitting the documents required under this division through the Ohio Business Gateway on or before January 1, 2016. The department shall transmit all documents submitted electronically under this division to the appropriate Tax Administrator.

(5) After a taxpayer files a tax return, the Tax Administrator shall request, and the taxpayer shall provide, any information, statements, or documents required by the Municipality to determine and verify the taxpayer's municipal income tax liability. The requirements imposed under division (F) of this section apply regardless of whether the taxpayer files on a generic form or on a form prescribed by the Tax Administrator.

(6) Any other documentation, including schedules, other municipal income tax returns, or other supporting documentation necessary to verify credits, income, losses, or other pertinent factors on the return shall also be included to avoid delay in processing, or disallowance by the Tax Administrator of undocumented credits or losses.

(G) (1) (a) Except as otherwise provided in this chapter, each individual income tax return required to be filed under this section shall be completed and filed as required by the Tax Administrator on or before the date prescribed for the filing of state individual income tax returns under division (G) of section 5747.08 of the Ohio Revised Code. The taxpayer shall complete and file the return or notice on forms prescribed by the Tax Administrator or on generic forms, together with remittance made payable to the Municipality or Tax Administrator.

(b) Except as otherwise provided in this chapter, each annual net profit income tax return required to be filed under this section by a taxpayer that is not an individual shall be completed and filed as required by the Tax Administrator on or before the fifteenth day of the fourth month following the end of the taxpayer's taxable year or period. The taxpayer shall complete and file the return or notice on forms prescribed by the Tax Administrator or on generic forms, together with remittance made payable to the Municipality or Tax Administrator.

(c) In the case of individual income tax return required to be filed by an individual, and net profit income tax return required to be filed by a taxpayer who is not an individual, no remittance is required if the amount shown to be due is ten dollars or less.

(d) A municipal corporation shall not require a qualifying employee whose income consist exclusively of exempt income described in Section 181.03(18)(u) or (v) of this Chapter to file a return under this section.

(2) If the Tax Administrator considers it necessary in order to ensure the payment of the tax imposed by the Municipality in accordance with this chapter, the Tax Administrator may require taxpayers to file returns and make payments otherwise than as provided in this section, including taxpayers not otherwise required to file annual returns.

(3) With respect to taxpayers to whom Section 181.092 of this Chapter applies, to the extent that any provision in this division conflicts with any provision in Section 181.091 of this Chapter, the provision in Section 181.092 of this Chapter prevails.

(H) (1) For taxable years beginning after 2015, the Municipality shall not require a taxpayer to remit tax with respect to net profits if the amount due is ten dollars or less.

(2) Except as provided in division (H)(3) of this section, any taxpayer not required to remit tax to the Municipality for a taxable year pursuant to division (H)(1) of this section shall file with the Municipality an annual net profit return under division (F)(3) and (4) of this section.

(3) A municipal corporation shall not require a person to file a net profit return under this section if the person's income consist exclusively of exempt income described in Section 181.03(u) of this chapter.

(4) If any report, claim, statement, or other document required to be filed, or any payment required to be made, within a prescribed period or on or before a prescribed date under this chapter is delivered after that period or that date by United States Mail to the Tax Administrator or other municipal official with which the report, claim, statement, or other document is required to be filed, or to which the payment is required to be made, the date of the postmark stamped on the cover in which the report, claim, statement, or other document, or payment is mailed shall be deemed to be the date of delivery or the date of payment. "The date of postmark" means, in the event there is more than one date on the cover, the earliest date imprinted on the cover by the postal service.

(5) If a payment is required to be made by electronic funds transfer, the payment shall be considered to be made on the date of the timestamp assigned by the first electronic system receiving that payment.

(J) The amounts withheld for the Municipality by an employer, the agent of an employer, or other payer as described in section 181.051 of this Chapter shall be allowed to the recipient of the compensation as credits against payment of the tax imposed on the recipient unless the amounts withheld were not remitted to the Municipality and the recipient colluded with the employer, agent, or other payer in connection with the failure to remit the amounts withheld.

(K) Each return required by the Municipality to be filed in accordance with this section shall include a box that the taxpayer may check to authorize another person, including a tax return preparer who prepared the return, to communicate with the Tax Administrator about matters pertaining to the return. The return or instructions accompanying the return shall indicate that by checking the box the taxpayer authorizes the Tax Administrator to contact the preparer or other person concerning questions that arise during the examination or other review of the return and authorizes the preparer or other person only to provide the Tax Administrator with information that is missing from the return, to contact the Tax Administrator for information about the examination or other review of the return or the status of the taxpayer's refund or payments, and to respond to notices about mathematical errors, offsets, or return preparation that the taxpayer has received from the Tax Administrator and has shown to the preparer or other person. Authorization by the taxpayer of another person to communicate with the Tax Administrator about matters pertaining to the return does not preclude the Tax Administrator from contacting the taxpayer regarding such matters.

(L) The Tax Administrator of the Municipality shall accept for filing a generic form of any income tax return, report, or document required by the Municipality in accordance with this Chapter, provided that the generic form, once completed and filed, contains all of the information required by ordinances, resolutions, or rules adopted by the Municipality or Tax Administrator, and provided that the taxpayer or tax return preparer filing the generic form otherwise complies with the provisions of this Chapter and of the Municipality's Ordinance or resolution governing the filing of returns, reports, or documents.

(M) When income tax returns, reports, or other documents require the signature of a tax return preparer, the Tax Administrator shall accept a facsimile of such a signature in lieu of a manual signature.

(N) (1) As used in this division, "worksite location" has the same meaning as in section 181.052 of this chapter.

(2) A person may notify a Tax Administrator that the person does not expect to be a taxpayer with respect to the municipal corporation for a taxable year if both of the following conditions apply:

(a) The person was required to file a tax return with the municipal corporation for the immediately preceding taxable year because the person performed services at a worksite location within the municipal corporation.

(b) The person no longer provides services in the municipal corporation, and does not expect to be subject to the municipal corporation's income tax for the taxable year. The person shall provide the notice in a signed affidavit that briefly explains the person's circumstances, including the location of the previous worksite location and the last date on which the person performed services or made any sales within the municipal corporation. The affidavit also shall include the following statement: "The affiant has no plans to perform any services within the municipal corporation, make any sales in the municipal corporation, or otherwise become subject to the tax levied by the municipal corporation during the taxable year. If the affiant does become subject to the tax levied by the municipal corporation for the taxable year, the affiant agrees to be considered a taxpayer and to properly register as a taxpayer with the municipal corporation, if such a registration is required by the municipal corporation's resolutions, ordinances, or rules." The person shall sign the affidavit under penalty of perjury.

(c) If a person submits an affidavit described in division (N)(2) of this section, the Tax Administrator shall not require the person to file any tax return for the taxable year unless the Tax Administrator possesses information that conflicts with the affidavit or if the circumstances described in the affidavit change. Nothing in division (N) of this section prohibits the Tax Administrator from performing an audit of the person.

(Source: ORC 718.05)

181.092 RETURN AND PAYMENT OF TAX; INDIVIDUALS SERVING IN COMBAT ZONE

(A) Each member of the national guard of any state and each member of a reserve component of the armed forces of the United States called to active duty pursuant to an executive order issued by the President of the United States or an act of the Congress of the United States, and each civilian serving as support personnel in a combat zone or contingency operation in support of the armed forces, may apply to the Tax Administrator of the Municipality for both an extension of time for filing of the return and an extension of time for payment of taxes required by the Municipality in accordance with this chapter during the period of the member's or civilian's duty service and for one hundred eighty days thereafter. The application shall be filed on or before the one hundred eightieth day after the member's or civilian's duty terminates. An applicant shall provide such evidence as the Tax Administrator considers necessary to demonstrate eligibility for the extension.

(B) (1) If the Tax Administrator ascertains that an applicant is qualified for an extension under this section, the Tax Administrator shall enter into a contract with the applicant for the payment of the tax in installments that begin on the one hundred eighty-first day after the applicant's active duty or service terminates. Except as provided in division (B)(3) of this section, the Tax Administrator may prescribe such contract terms as the Tax Administrator considers appropriate.

(2) If the Tax Administrator ascertains that an applicant is qualified for an extension under this section, the applicant shall neither be required to file any return, report, or other tax document nor be required to pay any tax otherwise due to the Municipality before the one hundred eighty-first day after the applicant's active duty or service terminates.

(3) Taxes paid pursuant to a contract entered into under division (B)(1) of this section are not delinquent. The Tax Administrator shall not require any payments of penalties or interest in connection with those taxes for the extension period.

(C) (1) Nothing in this division denies to any person described in this division the application of divisions (A) and (B) of this section.

(2) (a) A qualifying taxpayer who is eligible for an extension under the Internal Revenue Code shall receive both an extension of time in which to file any return, report, or other tax document and an extension of time in which to make any payment of taxes required by the Municipality in accordance

with this chapter. The length of any extension granted under division (C)(2)(a) of this section shall be equal to the length of the corresponding extension that the taxpayer receives under the Internal Revenue Code. As used in this section, "qualifying taxpayer" means a member of the national guard or a member of a reserve component of the armed forces of the United States called to active duty pursuant to either an executive order issued by the President of the United States or an act of the Congress of the United States, or a civilian serving as support personnel in a combat zone or contingency operation in support of the armed forces.

(b) Taxes the payment of which is extended in accordance with division (C)(2)(a) of this section are not delinquent during the extension period. Such taxes become delinquent on the first day after the expiration of the extension period if the taxes are not paid prior to that date. The Tax Administrator shall not require any payment of penalties or interest in connection with those taxes for the extension period. The Tax Administrator shall not include any period of extension granted under division (C)(2)(a) of this section in calculating the penalty or interest due on any unpaid tax.

(D) For each taxable year to which division (A), (B), or (C) of this section applies to a taxpayer, the provisions of divisions (B)(2) and (3) or (C) of this section, as applicable, apply to the spouse of that taxpayer if the filing status of the spouse and the taxpayer is married filing jointly for that year.

(Source: ORC 718.052)

181.093 USE OF OHIO BUSINESS GATEWAY; TYPES OF FILINGS AUTHORIZED

(A) Any taxpayer subject to municipal income taxation with respect to the taxpayer's net profit from a business or profession may file any municipal income tax return or, estimated municipal income tax return, or extension for filing a municipal income tax return, and may make payment of amounts shown to be due on such returns, by using the Ohio Business Gateway.

(B) Any employer, agent of an employer, or other payer may report the amount of municipal income tax withheld from qualifying wages, and may make remittance of such amounts, by using the Ohio Business Gateway.

(C) Nothing in this section affects the due dates for filing employer withholding tax returns or deposit of any required tax.

(D) The use of the Ohio Business Gateway by municipal corporations, taxpayers, or other persons does not affect the legal rights of municipalities or taxpayers as otherwise permitted by law. The State of Ohio shall not be a party to the administration of municipal income taxes or to an appeal of a municipal income tax matter, except as otherwise specifically provided by law.

(E) Nothing in this section shall be construed as limiting or removing the authority of any municipal corporation to administer, audit, and enforce the provisions of its municipal income tax.

(Source: ORC 718.051)

181.094 EXTENSION OF TIME TO FILE

(A) Any taxpayer that has duly requested an automatic six-month extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. The extended due date of the municipal income tax return shall be the fifteenth day of the tenth month after the last day of the taxable year to which the return relates.

(B) Any taxpayer that qualifies for an automatic federal extension for a period other than six-months for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. The extended due date of the municipal income tax return shall be the same as that of the extended federal income tax return.

(C) A taxpayer that has not requested or received a six-month extension for filing the taxpayer's federal income tax return may request that the Tax Administrator grant the taxpayer a six-month extension

of the date for filing the taxpayer's municipal income tax return. If the request is received by the Tax Administrator on or before the date the municipal income tax return is due, the Tax Administrator shall grant the taxpayer's requested extension.

(D) An extension of time to file under this chapter is not an extension of the time to pay any tax due unless the Tax Administrator grants an extension of that date.

(E) If the Tax Commissioner extends for all taxpayers the date for filing state income tax returns under division (G) of section 5747.08 of the Ohio Revised Code, a taxpayer shall automatically receive an extension for the filing of a municipal income tax return. The extended due date of the municipal income tax return shall be the same as the extended due date of the state income tax return.

(Source: ORC 718.05)

181.095 AMENDED RETURNS

(A) (1) A taxpayer shall file an amended return with the Tax Administrator in such form as the Tax Administrator requires if any of the facts, figures, computations, or attachments required in the taxpayer's annual return to determine the tax due levied by the Municipality in accordance with this chapter must be altered as the result of an adjustment to the taxpayer's federal income tax return whether initiated by the taxpayer or the Internal Revenue Service and such alteration affects the taxpayers tax liability under this chapter.

(2) Within sixty days after the final determination of any federal or state tax liability affecting the taxpayer's municipal tax liability, that taxpayer shall make and file an amended municipal return showing income subject to the municipal income tax based upon such final determination of federal or state tax liability, and pay any additional municipal income tax shown due thereon or make a claim for refund of any overpayment, unless the tax or overpayment is ten dollars or less.

(3) If a taxpayer intends to file an amended consolidated municipal income tax return, or to amend its type of return from a separate return to a consolidated return, based on the taxpayer's consolidated federal income tax return, the taxpayer shall notify the Tax Administrator before filing the amended return.

(B) (1) In the case of an underpayment, the amended return shall be accompanied by payment of any combined additional tax due together with any penalty and interest thereon. If the combined tax shown to be due is ten dollars or less, such amount need not accompany the amended return. Except as provided under division (B)(2) of this section, the amended return shall not reopen those facts, figures, computations, or attachments from a previously filed return that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal or state income tax return unless the applicable statute of limitations for civil actions or prosecutions under section 181.19 of this Chapter has not expired for a previously filed return.

(2) The additional tax to be paid shall not exceed the amount of tax that would be due if all facts, figures, computations, and attachments were reopened.

(C) (1) In the case of an overpayment, a request for refund may be filed under this division within the period prescribed by division (A)(2) of section for filing the amended return even if it is filed beyond the period prescribed in that division if it otherwise conforms to the requirements of that division. If the amount of the refund is ten dollars or less, no refund need be paid by the Municipality to the taxpayer. Except as set forth in division (C)(2) of this section, a request filed under this division shall claim refund of overpayments resulting from alterations to only those facts, figures, computations, or attachments required in the taxpayer's annual return that are affected, either directly or indirectly, by the adjustment to the taxpayer's federal or state income tax return unless it is also filed within the time prescribed in section 181.096 of this Chapter. Except as set forth in division (C)(2) of this section, the request shall not reopen those facts, figures, computations, or attachments that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal or state income tax return.

(2) The amount to be refunded shall not exceed the amount of refund that would be due if all facts, figures, computations, and attachments were reopened.

(Source: ORC 718.12, 718.41)

181.096 REFUNDS

(A) Upon receipt of a request for a refund, the Tax Administrator of the Municipality, in accordance with this section, shall refund to employers, agents of employers, other payers, or taxpayers, with respect to any income or withholding tax levied by the Municipality:

- (1) Overpayments of more than ten dollars;
- (2) Amounts paid erroneously if the refund requested exceeds ten dollars.

(B) (1) Except as otherwise provided in this chapter, returns setting forth a request for refund shall be filed with the Tax Administrator, within three years after the tax was due or paid, whichever is later. Any documentation that substantiates the taxpayer's claim for a refund must be included with the return filing. Failure to remit all documentation, including schedules, other municipal income tax returns, or other supporting documentation necessary to verify credits, income, losses or other pertinent factors on the return will cause delay in processing, and / or disallowance of undocumented credits or losses.

(2) On filing of the refund request, the Tax Administrator shall determine the amount of refund due and certify such amount to the appropriate municipal corporation official for payment. Except as provided in division (B)(3) of this section, the Tax Administrator shall issue an assessment to any taxpayer whose request for refund is fully or partially denied. The assessment shall state the amount of the refund that was denied, the reasons for the denial, and instructions for appealing the assessment.

(3) If a Tax Administrator denies in whole or in part a refund request included within the taxpayer's originally filed annual income tax return, the Tax Administrator shall notify the taxpayer, in writing, of the amount of the refund that was denied, the reasons for the denial, and instructions for requesting an assessment that may be appealed under Section 181.18 of this Chapter.

(C) A request for a refund that is received after the last day for filing specified in division (B) of this section shall be considered to have been filed in a timely manner if any of the following situations exist:

- (1) The request is delivered by the postal service, and the earliest postal service postmark on the cover in which the request is enclosed is not later than the last day for filing the request.
- (2) The request is delivered by the postal service, the only postmark on the cover in which the request is enclosed was affixed by a private postal meter, the date of that postmark is not later than the last day for filing the request, and the request is received within seven days of such last day.
- (3) The request is delivered by the postal service, no postmark date was affixed to the cover in which the request is enclosed or the date of the postmark so affixed is not legible, and the request is received within seven days of the last day for making the request.

(D) Interest shall be allowed and paid on any overpayment by a taxpayer of any municipal income tax obligation from the date of the overpayment until the date of the refund of the overpayment, except that if any overpayment is refunded within ninety days after the final filing date of the annual return or ninety days after the completed return is filed, whichever is later, no interest shall be allowed on the refund. For the purpose of computing the payment of interest on amounts overpaid, no amount of tax for any taxable year shall be considered to have been paid before the date on which the return on which the tax is reported is due, without regard to any extension of time for filing that return. Interest shall be paid at the interest rate described in division (A)(4) of Section 181.10 of this Chapter.

(E) As used in this section, "withholding tax" has the same meaning as in section 181.10 of this Chapter.

(Source: ORC 718.19)

181.10 PENALTY, INTEREST, FEES, AND CHARGES

(A) As used in this section:

(1) "Applicable law" means this chapter, the resolutions, ordinances, codes, directives, instructions, and rules adopted by the Municipality provided such resolutions, ordinances, codes, directives, instructions, and rules impose or directly or indirectly address the levy, payment, remittance, or filing requirements of a municipal income tax.

(2) "Federal short-term rate" means the rate of the average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of three years or less, as determined under section 1274 of the Internal Revenue Code, for July of the current year.

(3) "Income tax," "estimated income tax," and "withholding tax" mean any income tax, estimated income tax, and withholding tax imposed by a municipal corporation pursuant to applicable law, including at any time before January 1, 2016.

(4) "Interest rate as described in division (A) of this section" means the federal short-term rate, rounded to the nearest whole number percent, plus five percent. The rate shall apply for the calendar year next following the July of the year in which the federal short-term rate is determined in accordance with division (A)(2) of this section.

(5) "Return" includes any tax return, report, reconciliation, schedule, and other document required to be filed with a Tax Administrator or municipal corporation by a taxpayer, employer, any agent of the employer, or any other payer pursuant to applicable law, including at any time before January 1, 2016.

(6) "Unpaid estimated income tax" means estimated income tax due but not paid by the date the tax is required to be paid under applicable law.

(7) "Unpaid income tax" means income tax due but not paid by the date the income tax is required to be paid under applicable law.

(8) "Unpaid withholding tax" means withholding tax due but not paid by the date the withholding tax is required to be paid under applicable law.

(9) "Withholding tax" includes amounts an employer, any agent of an employer, or any other payer did not withhold in whole or in part from an employee's qualifying wages, but that, under applicable law, the employer, agent, or other payer is required to withhold from an employee's qualifying wages.

(B) (1) This section shall apply to the following:

(a) Any return required to be filed under applicable law for taxable years beginning on or after January 1, 2016;

(b) Income tax, estimated income tax, and withholding tax required to be paid or remitted to the Municipality on or after January 1, 2016 for taxable years beginning on or after January 1, 2016

(2) This section does not apply to returns required to be filed or payments required to be made before January 1, 2016, regardless of the filing or payment date. Returns required to be filed or payments required to be made before January 1, 2016, but filed or paid after that date shall be subject to the ordinances or rules of this Municipality, as adopted from time to time before January 1, 2016.

(C) The Municipality shall impose on a taxpayer, employer, any agent of the employer, and any other payer, and will attempt to collect, the interest amounts and penalties prescribed in this section when the taxpayer, employer, any agent of the employer, or any other payer for any reason fails, in whole or in part, to make to the Municipality timely and full payment or remittance of income tax, estimated income tax, or withholding tax or to file timely with the Municipality any return required to be filed.

(1) Interest shall be imposed at the rate defined as "interest rate as described in division (A) of this section", per annum, on all unpaid income tax, unpaid estimated income tax, and unpaid withholding tax.

(2) With respect to unpaid income tax and unpaid estimated income tax, a penalty equal to fifteen percent of the amount not timely paid shall be imposed.

(3) With respect to any unpaid withholding tax, a penalty equal to fifty percent of the amount not timely paid shall be imposed for penalties imposed prior to September 29, 2017 and a penalty not exceeding fifty percent of the amount not timely paid shall be imposed for penalties imposed thereafter.

(4) With respect to returns other than estimated income tax returns, the Municipality shall impose a monthly penalty of twenty-five dollars for each failure to timely file each return, regardless of the liability shown thereon for each month, or any fraction thereof, during which the return remains unfilled regardless of the liability shown thereon. The penalty shall not exceed a total of one hundred fifty dollars for each failure to timely file a return.

(D) With respect to income taxes, estimated income taxes, withholding taxes, and returns, the Municipality shall not impose, seek to collect, or collect any penalty, amount of interest, charges or additional fees not described in this section.

(E) With respect to income taxes, estimated income taxes, withholding taxes, and returns, not described in division A of this section, the Municipality shall not refund or credit any penalty, amount of interest, charges, or additional fees that were properly imposed or collected before January 1, 2016.

(F) The Tax Administrator may, in the Tax Administrator's sole discretion, abate or partially abate penalties or interest imposed under this section when the Tax Administrator deems such abatement or partial abatement to be appropriate. Such abatement or partial abatement shall be properly documented and maintained on the record of the taxpayer who received benefit of such abatement or partial abatement.

(G) The Municipality may impose on the taxpayer, employer, any agent of the employer, or any other payer the Municipality's post-judgment collection costs and fees, including attorney's fees.

(Source: ORC 718.27)

181.11 AUDIT

(A) At or before the commencement of an audit, as defined in Section 181.03(5) of this Chapter, the Tax Administrator shall provide to the taxpayer a written description of the roles of the Tax Administrator and of the taxpayer during an audit and a statement of the taxpayer's rights, including any right to obtain a refund of an overpayment of tax. At or before the commencement of an audit, the Tax Administrator shall inform the taxpayer when the audit is considered to have commenced.

(B) Except in cases involving suspected criminal activity, the Tax Administrator shall conduct an audit of a taxpayer during regular business hours and after providing reasonable notice to the taxpayer. A taxpayer who is unable to comply with a proposed time for an audit on the grounds that the proposed time would cause inconvenience or hardship must offer reasonable alternative dates for the audit.

(C) At all stages of an audit by the Tax Administrator, a taxpayer is entitled to be assisted or represented by an attorney, accountant, bookkeeper, or other tax practitioner. The Tax Administrator shall prescribe a form by which a taxpayer may designate such a person to assist or represent the taxpayer in the conduct of any proceedings resulting from actions by the Tax Administrator. If a taxpayer has not submitted such a form, the Tax Administrator may accept other evidence, as the Tax Administrator considers appropriate, that a person is the authorized representative of a taxpayer.

A taxpayer may refuse to answer any questions asked by the person conducting an audit until the taxpayer has an opportunity to consult with the taxpayer's attorney, accountant, bookkeeper, or other tax practitioner. This division does not authorize the practice of law by a person who is not an attorney.

(D) A taxpayer may record, electronically or otherwise, the audit examination.

(E) The failure of the Tax Administrator to comply with a provision of this section shall neither excuse a taxpayer from payment of any taxes owed by the taxpayer nor cure any procedural defect in a taxpayer's case.

(F) If the Tax Administrator fails to substantially comply with the provisions of this section, the Tax Administrator, upon application by the taxpayer, shall excuse the taxpayer from penalties and interest arising from the audit.

(Source: ORC 718.36)

181.12 ROUNDING

A person may round to the nearest whole dollar all amounts the person is required to enter on any return, report, voucher, or other document required under this chapter. Any fractional part of a dollar that equals or exceeds fifty cents shall be rounded to the next whole dollar, and any fractional part of a dollar that is less than fifty cents shall be dropped, rounding down to the nearest whole dollar. If a person chooses to round amounts entered on a document, the person shall round all amounts entered on the document.

(Source: ORC 718.25)

181.13 AUTHORITY AND POWERS OF THE TAX ADMINISTRATOR

181.131 AUTHORITY OF TAX ADMINISTRATOR; ADMINISTRATIVE POWERS OF THE TAX ADMINISTRATOR

There is hereby created a subdepartment within the Finance Department to be entitled the Fairfield Income Tax Division for the administration of the provisions of this chapter. Such Division shall consist of a Tax Administrator, Deputy Tax Administrator and such clerical and secretarial personnel as may be determined to be necessary for the administration of this chapter, all of whom shall be appointed as provided for in the City Charter. The Tax Administrator has the authority to perform all duties and functions necessary and appropriate to implement the provisions of this Chapter, including without limitation:

- (A) Exercise all powers whatsoever of an inquisitorial nature as provided by law, including, the right to inspect books, accounts, records, memorandums, and federal and state income tax returns, to examine persons under oath, to issue orders or subpoenas for the production of books, accounts, papers, records, documents, and testimony, to take depositions, to apply to a court for attachment proceedings as for contempt, to approve vouchers for the fees of officers and witnesses, and to administer oaths; provided that the powers referred to in this division of this section shall be exercised by the Tax Administrator only in connection with the performance of the duties respectively assigned to the Tax Administrator under a municipal corporation income tax ordinance or resolution adopted in accordance with this chapter;
- (B) Appoint agents and prescribe their powers and duties;
- (C) Confer and meet with officers of other municipal corporations and states and officers of the United States on any matters pertaining to their respective official duties as provided by law;
- (D) Exercise the authority provided by law, including orders from bankruptcy courts, relative to remitting or refunding taxes, including penalties and interest thereon, illegally or erroneously imposed or collected, or for any other reason overpaid, and, in addition, the Tax Administrator may investigate any claim of overpayment and make a written statement of the Tax Administrator's findings, and, if the Tax Administrator finds that there has been an overpayment, approve and issue a refund payable to the taxpayer, the taxpayer's assigns, or legal representative as provided in this chapter;
- (E) Exercise the authority provided by law relative to consenting to the compromise and settlement of tax claims;
- (F) Exercise the authority provided by law relative to the use of alternative apportionment methods by taxpayers in accordance with section 181.062 of this Chapter;
- (G) Make all tax findings, determinations, computations, assessments and orders the Tax Administrator is by law authorized and required to make and, pursuant to time limitations provided by law, on the Tax Administrator's own motion, review, redetermine, or correct any tax findings, determinations, computations, assessments or orders the Tax Administrator has made, but the Tax Administrator shall not review, redetermine, or correct any tax finding, determination, computation, assessment or order which the Tax Administrator has made for which an appeal has been filed with the Local Board of Tax Review or

other appropriate tribunal, unless such appeal or application is withdrawn by the appellant or applicant, is dismissed, or is otherwise final;

- (H) Destroy any or all returns or other tax documents in the manner authorized by law;
- (I) Enter into an agreement with a taxpayer to simplify the withholding obligations described in section 181.051 of this Chapter.

(Source: ORC 718.24)

181.132 AUTHORITY OF TAX ADMINISTRATOR; COMPROMISE OF CLAIM AND PAYMENT OVER TIME

- (A) As used in this section, "claim" means a claim for an amount payable to the Municipality that arises pursuant to the municipal income tax imposed in accordance with this chapter.
- (B) The Tax Administrator may do either of the following if such action is in the best interests of the Municipality:
 - (1) Compromise a claim;
 - (2) Extend for a reasonable period the time for payment of a claim, by agreeing to accept monthly or other periodic payments, upon such terms and conditions as the Tax Administrator may require.
- (C) The tax administrator may consider the following standards when ascertaining with respect to a claim whether a compromise or payment-over-time agreement is in the best interest of the Municipality:
 - (1) There exists a doubt as to whether the claim can be collected.
 - (2) There exists a substantial probability that, upon payment of the claim and submission of a timely request for refund with respect to that payment, the tax administrator would refund an amount that was illegally or erroneously paid.
 - (3) There exists an economic hardship such that a compromise or agreement would facilitate effective tax administration.
 - (4) There exists a joint liability among spouses, one of whom is an innocent spouse, provided that any relief under this standard shall only affect the claim as to the innocent spouse. A spouse granted relief under section 6015 of the Internal Revenue Code with regard to any income item is rebuttably presumed to be an innocent spouse with regard to that income item to the extent that income item is included in or otherwise affects computation of a municipal income tax or any penalty or interest on that tax.
 - (5) Any other reasonable standard that the tax administrator establishes.
- (D) The Tax Administrator's rejection of a compromise or payment-over-time agreement proposed by a person with respect to a claim shall not be appealable.
- (E) A compromise or payment-over-time agreement with respect to a claim shall be binding upon and shall inure to the benefit of only the parties to the compromise or agreement, and shall not extinguish or otherwise affect the liability of any other person.
- (F)
 - (1) A compromise or payment-over-time agreement with respect to a claim shall be void if the taxpayer defaults under the compromise or agreement or if the compromise or agreement was obtained by fraud or by misrepresentation of a material fact. Any amount that was due before the compromise or agreement and that is unpaid shall remain due, and any penalties or interest that would have accrued in the absence of the compromise or agreement shall continue to accrue and be due.
 - (2) The Tax Administrator shall have sole discretion to determine whether or not penalty, interest, charges or applicable fees will be imposed through the duration of any compromise or payment-over-time agreement.
- (G) The Tax Administrator may require that the taxpayer provide detailed financial documentation and information, in order to determine whether or not a payment-over-time agreement will be authorized. The

taxpayer's failure to provide the necessary and required information by the Tax Administrator shall preclude consideration of a payment-over-time agreement.

(Source: 718.28)

181.133 AUTHORITY OF TAX ADMINISTRATOR; RIGHT TO EXAMINE

(A) The Tax Administrator, or any authorized agent or employee thereof may examine the books, papers, records, and federal and state income tax returns of any employer, taxpayer, or other person that is subject to, or that the Tax Administrator 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 filed, to ascertain the tax due under this Chapter. Upon written request by the Tax Administrator or a duly authorized agent or employee thereof, every employer, taxpayer, or other person subject to this section is required to furnish the opportunity for the Tax Administrator, authorized agent, or employee to investigate and examine such books, papers, records, and federal and state income tax returns at a reasonable time and place designated in the request.

(B) The records and other documents of any taxpayer, employer, or other person that is subject to, or that a Tax Administrator believes is subject to, the provisions of this Chapter shall be open to the Tax Administrator's inspection during business hours and shall be preserved for a period of six years following the end of the taxable year to which the records or documents relate, unless the Tax Administrator, in writing, consents to their destruction within that period, or by order requires that they be kept longer. The Tax Administrator of a municipal corporation may require any person, by notice served on that person, to keep such records as the Tax Administrator determines necessary to show whether or not that person is liable, and the extent of such liability, for the income tax levied by the Municipality or for the withholding of such tax.

(C) The Tax Administrator may examine under oath any person that the Tax Administrator reasonably believes has knowledge concerning any income that was or would have been returned for taxation or any transaction tending to affect such income. The Tax Administrator may, for this purpose, compel any such person to attend a hearing or examination and to produce any books, papers, records, and federal and state income tax returns in such person's possession or control. The person may be assisted or represented by an attorney, accountant, bookkeeper, or other tax practitioner at any such hearing or examination. This division does not authorize the practice of law by a person who is not an attorney.

(D) No person issued written notice by the Tax Administrator compelling attendance at a hearing or examination or the production of books, papers, records, or federal and state income tax returns under this section shall fail to comply.

(Source: ORC 718.23)

181.134 AUTHORITY OF TAX ADMINISTRATOR; REQUIRING IDENTIFYING INFORMATION

(A) The Tax Administrator may require any person filing a tax document with the Tax Administrator to provide identifying information, which may include the person's social security number, federal employer identification number, or other identification number requested by the Tax Administrator. A person required by the Tax Administrator to provide identifying information that has experienced any change with respect to that information shall notify the Tax Administrator of the change before, or upon, filing the next tax document requiring the identifying information.

(B) (1) If the Tax Administrator makes a request for identifying information and the Tax Administrator does not receive valid identifying information within thirty days of making the request, nothing in this chapter prohibits the Tax Administrator from imposing a penalty upon the person to whom

the request was directed pursuant to section 181.10 of this Chapter, in addition to any applicable penalty described in section 181.99 of this Chapter.

(2) If a person required by the Tax Administrator to provide identifying information does not notify the Tax Administrator of a change with respect to that information as required under division (A) of this section within thirty days after filing the next tax document requiring such identifying information, nothing in this chapter prohibits the Tax Administrator from imposing a penalty pursuant to section 181.10 of this Chapter.

(3) The penalties provided for under divisions (B)(1) and (2) of this section may be billed and imposed in the same manner as the tax or fee with respect to which the identifying information is sought and are in addition to any applicable criminal penalties described in section 181.99 of this Chapter for a violation of 181.15 of this Chapter, and any other penalties that may be imposed by the Tax Administrator by law.

(Source: ORC 718.26)

181.14 CONFIDENTIALITY

(A) Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by ORC 718 or by the charter or ordinance of the Municipality is confidential, and no person shall access or 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 Municipality as authorized by ORC 718 or the charter or ordinance authorizing the levy. The Tax Administrator of the Municipality or a designee thereof may furnish copies of returns filed or otherwise received under this chapter and other related tax information to the Internal Revenue Service, the State Tax Commissioner, and Tax Administrators of other municipal corporations.

(B) This section does not prohibit the Municipality from publishing or disclosing statistics in a form that does not disclose information with respect to particular taxpayers.

(Source: ORC 718.13)

181.15 FRAUD

No person shall knowingly make, present, aid, or assist in the preparation or presentation of a false or fraudulent report, return, schedule, statement, claim, or document authorized or required by municipal corporation ordinance or state law to be filed with the Tax Administrator, or knowingly procure, counsel, or advise the preparation or presentation of such report, return, schedule, statement, claim, or document, or knowingly change, alter, or amend, or knowingly procure, counsel or advise such change, alteration, or amendment of the records upon which such report, return, schedule, statement, claim, or document is based with intent to defraud the Municipality or the Tax Administrator.

(Source: ORC 718.35)

181.16 OPINION OF THE TAX ADMINISTRATOR

(A) An "opinion of the Tax Administrator" means an opinion issued under this section with respect to prospective municipal income tax liability. It does not include ordinary correspondence of the Tax Administrator.

(B) A taxpayer may submit a written request for an opinion of the Tax Administrator as to whether or how certain income, source of income, or a certain activity or transaction will be taxed. The written response of the Tax Administrator shall be an "opinion of the Tax Administrator" and shall bind the Tax

Administrator, in accordance with divisions (C), (G), and (H) of this section, provided all of the following conditions are satisfied:

(1) The taxpayer's request fully and accurately describes the specific facts or circumstances relevant to a determination of the taxability of the income, source of income, activity, or transaction, and, if an activity or transaction, all parties involved in the activity or transaction are clearly identified by name, location, or other pertinent facts.

(2) The request relates to a tax imposed by the Municipality in accordance with this Chapter.

(3) The Tax Administrator's response is signed by the Tax Administrator and designated as an "opinion of the Tax Administrator."

(C) An opinion of the Tax Administrator shall remain in effect and shall protect the taxpayer for whom the opinion was prepared and who reasonably relies on it from liability for any taxes, penalty, or interest otherwise chargeable on the activity or transaction specifically held by the Tax Administrator's opinion to be taxable in a particular manner or not to be subject to taxation for any taxable years that may be specified in the opinion, or until the earliest of the following dates:

(1) The effective date of a written revocation by the Tax Administrator sent to the taxpayer by certified mail, return receipt requested. The effective date of the revocation shall be the taxpayer's date of receipt or one year after the issuance of the opinion, whichever is later;

(2) The effective date of any amendment or enactment of a relevant section of the Ohio Revised Code, uncodified state law, or the Municipality's income tax ordinance that would substantially change the analysis and conclusion of the opinion of the Tax Administrator;

(3) The date on which a court issues an opinion establishing or changing relevant case law with respect to the Ohio Revised Code, uncodified state law, or the Municipality's income tax ordinance;

(4) If the opinion of the Tax Administrator was based on the interpretation of federal law, the effective date of any change in the relevant federal statutes or regulations, or the date on which a court issues an opinion establishing or changing relevant case law with respect to federal statutes or regulations;

(5) The effective date of any change in the taxpayer's material facts or circumstances;

(6) The effective date of the expiration of the opinion, if specified in the opinion.

(D) (1) A taxpayer is not relieved of tax liability for any activity or transaction related to a request for an opinion that contained any misrepresentation or omission of one or more material facts.

(2) If the taxpayer knowingly has misrepresented the pertinent facts or omitted material facts with intent to defraud the Municipality in order to obtain a more favorable opinion, the taxpayer may be in violation of section 181.15 of this Chapter.

(E) If a Tax Administrator provides written advice under this section, the opinion shall include a statement that:

(1) The tax consequences stated in the opinion may be subject to change for any of the reasons stated in division (C) of this section;

(2) It is the duty of the taxpayer to be aware of such changes.

(F) A Tax Administrator may refuse to offer an opinion on any request received under this section.

(G) This section binds a Tax Administrator only with respect to opinions of the Tax Administrator issued on or after January 1, 2016.

(H) An opinion of a Tax Administrator binds that Tax Administrator only with respect to the taxpayer for whom the opinion was prepared and does not bind the Tax Administrator of any other municipal corporation.

(I) A Tax Administrator shall make available the text of all opinions issued under this section, except those opinions prepared for a taxpayer who has requested that the text of the opinion remain confidential. In no event shall the text of an opinion be made available until the Tax Administrator has removed all information that identifies the taxpayer and any other parties involved in the activity or transaction.

(J) An opinion of the Tax Administrator issued under this section or a refusal to offer an opinion under subsection (F) may not be appealed.

(Source: ORC 718.38)

181.17 ASSESSMENT; APPEAL BASED ON PRESUMPTION OF DELIVERY

(A) (1) Subject to division (B) of this section, a copy of each assessment shall be served upon the person affected thereby either by personal service, by certified mail, or by a delivery service authorized under section 5703.056 of the Ohio Revised Code.

(2) The Tax Administrator may deliver the assessment through alternative means as provided in this section, including, but not limited to, delivery by secure electronic mail. Such alternative delivery method must be authorized by the person subject to the assessment.

(B) (1) (a) If certified mail is returned because of an undeliverable address, a tax administrator shall utilize reasonable means to ascertain a new last known address, including the use of a change of address service offered by the postal service or an authorized delivery service under section [5703.056](#) of the Revised Code. If, after using reasonable means, the tax administrator is unable to ascertain a new last known address, the assessment shall be sent by ordinary mail and considered served. If the ordinary mail is subsequently returned because of an undeliverable address, the assessment remains appealable within sixty days after the assessment's postmark.

(b) Once the tax administrator or other municipal official, or the designee of either, serves an assessment on the person to whom the assessment is directed, the person may protest the ruling of that assessment by filing an appeal with the local board of tax review within sixty days after the receipt of service. The delivery of an assessment of the tax administrator under division (B)(1)(a) of this section is prima facie evidence that delivery is complete and that the assessment is served.

(2) If mailing of an assessment by a tax administrator by certified mail is returned for some cause other than an undeliverable address, the tax administrator shall resend the assessment by ordinary mail. The assessment shall show the date the tax administrator sends the assessment and include the following statement:

"This assessment is deemed to be served on the addressee under applicable law ten days from the date this assessment was mailed by the tax administrator as shown on the assessment, and all periods within which an appeal may be filed apply from and after that date."

Unless the mailing is returned because of an undeliverable address, the mailing of that information is prima facie evidence that delivery of the assessment was completed ten days after the tax administrator sent the assessment by ordinary mail and that the assessment was served.

If the ordinary mail is subsequently returned because of an undeliverable address, the tax administrator shall proceed under division (B)(1)(a) of this section. A person may challenge the presumption of delivery and service under this division in accordance with division (C) of this section.

(C) (1) A person may challenge the presumption of delivery and service as set forth in this division. A person disputing the presumption of delivery and service under this section bears the burden of proving by a preponderance of the evidence that the address to which the assessment was sent was not an address with which the person was associated at the time the Tax Administrator originally mailed the assessment by certified mail. For the purposes of this section, a person is associated with an address at the time the Tax Administrator originally mailed the assessment if, at that time, the person was residing, receiving legal documents, or conducting business at the address; or if, before that time, the person had conducted business at the address and, when the assessment was mailed, the person's agent or the person's affiliate was conducting business at the address. For the purposes of this section, a person's affiliate is any other person that, at the time the assessment was mailed, owned or controlled at least twenty percent, as determined by voting rights, of the addressee's business.

(2) If a person elects to appeal an assessment on the basis described in division (B)(1) of this section, and if that assessment is subject to collection and is not otherwise appealable, the person must do so within sixty days after the initial contact by the Tax Administrator or other municipal official, or the designee of either, with the person. Nothing in this division prevents the Tax Administrator or other official from entering into a compromise with the person if the person does not actually file such an appeal with the Local Board of Tax Review.

(D) Nothing in this section prohibits the tax administrator or the tax administrator's designee from delivering an assessment by a tax administrator by personal service.

(E) Collection actions taken upon any assessment being appealed under division (B)(1)(b) of this section shall be stayed upon the pendency of an appeal under this section. If an appeal is filed pursuant to this section on a claim that has been delivered for collection, the collection activities with respect to the assessment shall be stayed.

(F) As used in this section:

(1) "Last known address" means the address the tax administrator has at the time a document is originally sent by certified mail, or any address the tax administrator can ascertain using reasonable means such as the use of a change of address service offered by the postal service or an authorized delivery service under section [5703.056](#) of the Revised Code.

(2) "Undeliverable address" means an address to which the postal service or an authorized delivery service under section [5703.056](#) of the Revised Code is not able to deliver an assessment of the tax administrator, except when the reason for nondelivery is because the addressee fails to acknowledge or accept the assessment.

(Source: ORC 718.18)

181.18 LOCAL BOARD OF TAX REVIEW; APPEAL TO LOCAL BOARD OF TAX REVIEW

(A) (1) The legislative authority of the Municipality shall maintain a Local Board of Tax Review to hear appeals as provided in Ohio Revised Code Chapter 718.

(2) The Local Board of Tax Review shall consist of three members. The three members of the Local Board of Tax Review shall be electors of the City.

Two members shall be appointed by the legislative authority of the Municipality, and may not be employees, elected officials, or contractors with the Municipality at any time during their term or in the five years immediately preceding the date of appointment. One member shall be appointed by the top administrative official of the Municipality. This member may be an employee of the Municipality, but may not be the director of finance or equivalent officer, or the Tax Administrator or other similar official or an employee directly involved in municipal tax matters, or any direct subordinate thereof.

(3) The term for members of the Local Board of Tax Review appointed by the legislative authority of the Municipality shall be two years. There is no limit on the number of terms that a member may serve should the member be reappointed by the legislative authority. The board member appointed by the top administrative official of the Municipality shall serve at the discretion of the administrative official.

(4) Members of the board of tax review appointed by the legislative authority may be removed by the legislative authority as set forth in Section 718.11(A)(4) of the Revised Code.

(5) A member of the board who, for any reason, ceases to meet the qualifications for the position prescribed by this section shall resign immediately by operation of law.

(6) A vacancy in an unexpired term shall be filled in the same manner as the original appointment within sixty days of when the vacancy was created. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of such term. No vacancy on the board shall impair the power and authority of the remaining members to exercise all the powers of the board.

(7) If a member is temporarily unable to serve on the board due to a conflict of interest, illness, absence, or similar reason, the legislative authority or top administrative official that appointed the member shall appoint another individual to temporarily serve on the board in the member's place. This appointment shall be subject to the same requirements and limitations as are applicable to the appointment of the member temporarily unable to serve.

(8) A member of a Local Board of Tax Review shall not be appointed to or serve on another such board simultaneously.

(B) Whenever a Tax Administrator issues an assessment regarding an underpayment of municipal income tax or denies a refund claim, the Tax Administrator shall notify the taxpayer in writing at the same time of the taxpayer's right to appeal the assessment or denial, the manner in which the taxpayer may appeal the assessment or denial, and the address to which the appeal should be directed.

(C) Any person who has been issued an assessment may appeal the assessment to the board created pursuant to this section by filing a request with the board. The request shall be in writing, shall specify the reason or reasons why the assessment should be deemed incorrect or unlawful, and shall be filed within sixty days after the taxpayer receives the assessment.

(D) The Local Board of Tax Review shall schedule a hearing to be held within sixty days after receiving an appeal of an assessment under division (C) of this section, unless the taxpayer requests additional time to prepare or waives a hearing. If the taxpayer does not waive the hearing, the taxpayer may appear before the board and/or may be represented by an attorney at law, certified public accountant, or other representative. The board may allow a hearing to be continued as jointly agreed to by the parties. In such a case, the hearing must be completed within one hundred twenty days after the first day of the hearing unless the parties agree otherwise.

(E) The board may affirm, reverse, or modify the Tax Administrator's assessment or any part of that assessment. The board shall issue a final determination on the appeal within ninety days after the board's final hearing on the appeal, and send a copy of its final determination by ordinary mail to all of the parties to the appeal within fifteen days after issuing the final determination. The taxpayer or the Tax Administrator may appeal the board's final determination as provided in section 5717.011 of the Ohio Revised Code.

(F) The Local Board of Tax Review created pursuant to this section shall adopt rules governing its procedures, which may include a schedule of costs, 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. The procedural rules governing the Local Board of Tax Review shall be in writing, and may be amended as needed by the Local Board of Tax Review. Hearings requested by a taxpayer before a Local Board of Tax Review created pursuant to this section are not meetings of a public body subject to section 121.22 of the Ohio Revised Code.

(Source: ORC 718.11)

181.19 ACTIONS TO RECOVER; STATUTE OF LIMITATIONS

- (A) (1) (a) Civil actions to recover municipal income taxes and penalties and interest on municipal income taxes shall be brought within the latter of:
- (i) Three years after the tax was due or the return was filed, whichever is later; or
 - (ii) One year after the conclusion of the qualifying deferral period, if any.

(b) The time limit described in division (A)(1)(a) of this section may be extended at any time if both the Tax Administrator and the employer, agent of the employer, other payer, or taxpayer consent in writing to the extension. Any extension shall also extend for the same period of time the time limit described in division (C) of this section.

(2) As used in this section, "qualifying deferral period" means a period of time beginning and ending as follows:

(a) Beginning on the date a person who is aggrieved by an assessment files with a Local Board of Tax Review the request described in Section 181.18 of this Chapter. That date shall not be affected by any subsequent decision, finding, or holding by any administrative body or court that the Local Board of Tax Review with which the aggrieved person filed the request did not have jurisdiction to affirm, reverse, or modify the assessment or any part of that assessment.

(b) Ending the later of the sixtieth day after the date on which the final determination of the Local Board of Tax Review becomes final or, if any party appeals from the determination of the Local Board of Tax Review, the sixtieth day after the date on which the final determination of the Local Board of Tax Review is either ultimately affirmed in whole or in part or ultimately reversed and no further appeal of either that affirmation, in whole or in part, or that reversal is available or taken.

(B) Prosecutions for an offense made punishable under a resolution or ordinance imposing an income tax shall be commenced within three 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 or more of income required to be reported, prosecutions may be commenced within six years after the commission of the offense.

(C) A claim for a refund of municipal income taxes shall be brought within the time limitation provided in Section 181.096 of this Chapter.

(D) (1) Notwithstanding the fact that an appeal is pending, the petitioner may pay all or a portion of the assessment that is the subject of the appeal. The acceptance of a payment by the Municipality does not prejudice any claim for refund upon final determination of the appeal.

(2) If upon final determination of the appeal an error in the assessment is corrected by the Tax Administrator, upon an appeal so filed or pursuant to a final determination of the Local Board of Tax Review created under Section 181.18 of this Chapter, of the Ohio board of tax appeals, or any court to which the decision of the Ohio board of tax appeals has been appealed, so that the amount due from the party assessed under the corrected assessment is less than the amount paid, there shall be issued to the appellant or to the appellant's assigns or legal representative a refund in the amount of the overpayment as provided by Section 181.096 of this Chapter, with interest on that amount as provided by division (D) of this section.

(E) No civil action to recover municipal income tax or related penalties or interest shall be brought during either of the following time periods:

(1) The period during which a taxpayer has a right to appeal the imposition of that tax or interest or those penalties;

(2) The period during which an appeal related to the imposition of that tax or interest or those penalties is pending.

(Source: ORC 718.12)

181.20 ADOPTION OF RULES

Pursuant to Section 718.30 of the Revised Code, the legislative authority of the Municipality has the authority, by Ordinance or Resolution, to adopt rules to administer the income tax imposed by the Municipality.

(B) After such approval, all rules adopted under this section shall be filed with the Clerk of Council, shall be open to public inspection, and posted on the internet as described in section 718.07 of the Ohio Revised Code.

(Source: ORC 718.30)

181.21 INFORMATION BY LANDLORDS

Within thirty (30) days after a new tenant, lessee, or other occupant occupies rental property of any kind within the Municipality, the owner, manager, or any person in control of the rental property shall file with the Tax Administrator a report showing the identity of their tenants, lessees, or other occupants of the rental property, and the address and telephone number, if available, of the same.

Within thirty (30) days after a tenant, lessee, or other occupant vacates rental property of any kind located within the Municipality, the owner, manager, or any person in control of such vacated rental property shall file with the Tax Administrator a report showing the identity of their tenants, lessees, or other occupants who vacated the rental property, the date of vacation, and a forwarding address.

Any owner, manager, or person in control of rental property who fails to make the report as required in subsection (A) or (B) hereof, shall be fined up to a maximum of one hundred dollars (\$100.00) per unreported tenant, lessee, or other occupant.

181.22 INFORMATION BY CONTRACTORS

At the time an application for a building permit is submitted, the applicant shall provide a list of the name, 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.

181.23 COLLECTION AFTER TERMINATION OF CHAPTER

(A) This chapter shall continue in full force and effect insofar as the levy of taxes is concerned until repealed, and insofar as the collection of taxes levied hereunder and actions and proceedings for collecting any tax so levied or enforcing any provisions of this chapter are concerned, it shall continue in full force and effect until all of the taxes levied in the aforesaid period are fully paid and any and all suits and prosecutions for the collection of taxes or for the punishment of violations of this chapter have been fully terminated, subject to the limitations contained in Section 181.19.

(B) Annual returns due for all or any part of the last effective year of this chapter shall be due on the date provided in Section 181.091 as though the same were continuing.

181.24 SAVINGS CLAUSE

If any sentence, clause, section or part of this chapter, or any tax imposed against, or exemption from tax granted to, any taxpayer or forms of income specified herein is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall affect only such clause, sentence, section or part of this chapter so found 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 the legislative authority of the Municipality that this chapter would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included in this chapter.

181.25 NET-PROFIT OPT IN FOR FILING THROUGH THE STATE OF OHIO DEPARTMENT OF TAXATION.

This section applies to any taxpayer, not an individual, engaged in a business or profession in the Municipality and electing to be subject to Sections 718.80 through 718.95 of the Ohio Revised Code, applicable for tax years beginning on or after January 1, 2018, pursuant to the language enacted by the Ohio Legislature during the 132nd General Assembly in the form of Am. Sub House Bill 49, which required municipal corporations to conform to and adopt the provisions of Ohio Revised Code Chapter 718 in order to retain the authority to impose, enforce, administer and collect a municipal income tax.

(a) Effective with taxable years beginning on or after January 1, 2018 a taxpayer may elect to be subject to sections 718.80 to 718.95 of the Revised Code in lieu of the provisions set forth in this chapter. Notwithstanding any other provision of this chapter, upon the taxpayer's election, both of the following shall apply:

(1) The tax commissioner shall serve as the sole administrator of each municipal income tax for which the taxpayer is liable for the term of the election;

(2) The tax commissioner shall administer the tax pursuant to sections 718.80 to 718.95 of the Revised Code and any applicable provision of Chapter 5703 of the Revised Code.

(b)

(1) A taxpayer shall make the initial election on or before the first day of the third month after the beginning of the taxpayer's taxable year by notifying the tax commissioner and each municipal corporation in which the taxpayer conducted business during the previous taxable year, on a form prescribed by the tax commissioner.

(2) A. The election, once made by the taxpayer, applies to the taxable year in which the election is made and to each subsequent taxable year until the taxpayer notifies the tax commissioner and each municipal corporation in which the taxpayer conducted business during the previous taxable year of its termination of the election.

(A) A notification of termination shall be made, on a form prescribed by the tax commissioner, on or before the first day of the third month of any taxable year.

(B) Upon a timely and valid termination of the election, the taxpayer is no longer subject to sections 718.80 to 718.95 of the Revised Code, and is instead subject to the provisions set forth in the remainder of this chapter.

(c) Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by sections 718.80 to 718.95 of the Revised Code is confidential, and no person shall disclose such information, except for official purposes, in accordance with a proper judicial order, or as provided in section 4123.271 or 5703.21 of the Revised Code. The tax commissioner may furnish the Internal Revenue Service with copies of returns filed. This section does not prohibit the publication of statistics in a form which does not disclose information with respect to particular taxpayers.

(d) For each taxable year, every taxpayer shall file an annual return. Such return, along with the amount of tax shown to be due on the return less the amount paid for the taxable year under section 718.88 of the Revised Code, shall be submitted to the tax commissioner, on a form and in the manner prescribed by the commissioner, on or before the fifteenth day of the fourth month following the end of the taxpayer's taxable year.

(e) All taxpayers that have made the election allowed under section 718.80 of the Revised Code shall file any tax return or extension for filing a tax return, and shall make payment of amounts shown to be due on such returns, electronically, either through the Ohio business gateway or in another manner as prescribed by the tax commissioner.

(f) If a taxpayer that has made the election allowed under section 718.80 of the Revised Code fails to pay any tax as required under sections 718.80 to 718.95 of the Revised Code, or any portion of that tax, on or before the date prescribed for its payment, interest shall be assessed, collected, and paid, in the same manner as the tax, upon such unpaid amount at the rate per annum prescribed by section 5703.47 of the Revised Code from the date prescribed for its payment until it is paid or until the date an assessment is issued under section 718.90 of the Revised Code, whichever occurs first.

(g) A. A credit, granted by resolution or ordinance of a municipal corporation pursuant to section 718.15 or 718.151 of the Revised Code, shall be available to a taxpayer that has made the election allowed under section 718.80 of the Revised Code, against the municipal corporation's tax on income.

(C) (1) Each taxpayer that claims a credit shall submit, with the taxpayer's tax return, documentation issued by the municipal corporation granting the credit that confirms the eligibility of the taxpayer for the credit, the amount of the credit for which the taxpayer is eligible, and the tax year to which the credit is to be applied.

(2) Such documentation shall be provided in the form prescribed by the tax commissioner.

(3) Nothing in this section shall be construed to authorize the tax commissioner to enter into an agreement with a taxpayer to grant a credit, to determine if a taxpayer meets the conditions of a tax credit agreement entered into by a municipal corporation and taxpayer under section 718.15 or 718.151 of the Revised Code, or to modify the terms or conditions of any such existing agreement.

181.99 VIOLATIONS; PENALTY

(A) Except as provided in division (B) of this section, whoever violates Section 181.15 of this Chapter, division (A) of Section 181.14 of this Chapter, or Section 181.051 of this Chapter by failing to remit municipal income taxes deducted and withheld from an employee, shall be guilty of a misdemeanor of the first degree and shall be subject to a fine of not more than one thousand dollars (\$1,000) or imprisonment for a term of up to six months, or both. In addition, the violation is punishable by dismissal from office or discharge from employment, or both.

(B) Any person who discloses information received from the Internal Revenue Service in violation of Internal Revenue Code Sec. 7213(a), 7213A, or 7431 shall be guilty of a felony of the fifth degree and shall be subject to a fine of not more than five thousand dollars (\$5,000) plus the costs of prosecution, or imprisonment for a term not exceeding five years, or both. In addition, the violation is punishable by dismissal from office or discharge from employment, or both.

(C) Each instance of access or disclosure in violation of division (A) of Section 181.14 of this Chapter constitutes a separate offense.

(D) Whoever violates any provision of this chapter for which violation no penalty is otherwise provided, is guilty of a misdemeanor of the third degree on a first offense and shall be fined not more than five hundred dollars (\$500), or imprisoned not more than sixty (60) days, or both. By way of an illustrative enumeration, violations of this Chapter shall include but not be limited to the following acts, conduct, and/or omissions:

- (1) Fail, neglect or refuse to make any return or declaration required by this Chapter; or
- (2) Knowingly make any incomplete return; or
- (3) Willfully fail, neglect, or refuse to pay the tax, penalties, and interest, or any combination thereof, imposed by this Chapter; or
- (4) Cause to not be remitted the City income tax withheld from qualifying wages of employees to the Municipality as required by Section 181.051; or
- (5) Neglect or refuse to withhold or remit municipal income tax from employees; or
- (6) Refuse to permit the Tax Administrator or any duly authorized agent or employee to examine his or her books, records, papers, federal and state income tax returns, or any documentation relating to the income or net profits of a taxpayer; or
- (7) Fail to appear before the Tax Administrator and to produce his or her books, records, papers, federal and state income tax returns, or any documentation relating to the income or net profits of a taxpayer upon order or subpoena of the Tax Administrator; or
- (8) Refuse to disclose to the Tax Administrator any information with respect to such person's income or net profits, or in the case of a person responsible for maintaining information relating to his or her employers' income or net profits, such person's employer's income or net profits; or
- (9) Fail to comply with the provisions of this chapter or any order or subpoena of the Tax Administrator; or
- (10) To avoid imposition or collection of municipal income tax, willfully give to an employer or prospective employer false information as to his or her true name, correct social security number and residence address, or willfully fail to promptly notify an employer or a prospective employer of any change in residence address and date thereof; or
- (11) Fail, as an employer, agent of an employer, or other payer, to maintain proper records of employee's residence addresses, total qualifying wages paid and municipal tax withheld, or to knowingly give the Tax Administrator false information; or
- (12) Willfully fail, neglect, or refuse to make any payment of estimated municipal income tax for any taxable year or any part of any taxable year in accordance with this Chapter; or
- (13) Attempt to do anything whatsoever to avoid the payment of the whole or any part of the tax, penalties or interest imposed by this Chapter.

(14) For purposes of this Section, any violation that does not specify a culpable mental state or intent, shall be one of strict liability and no culpable mental state or intent shall be required for a person to be guilty of that violation.

(15) For purposes of this Section, the term “person” shall, in addition to the meaning prescribed in Section 181.03, include in the case of a corporation, association, pass-through entity or unincorporated business entity not having any resident owner or officer within the city, any employee or agent of such corporation, association, pass-through entity or unincorporated business entity who has control or supervision over or is charged with the responsibility of filing the municipal income tax returns and making the payments of the municipal income tax as required by this Chapter.

(Source: ORC 718.99)



City Council Resolution
Regular Meeting - December 7, 2020

Submitted by: John Clemmons,
 Submitting Department: Legal

Subject:

Resolution declaring intent and necessity of the Route 4/Michael Lane & Camelot Drive Intersection I

Legislation Title:

Resolution declaring intent and necessity of the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) and declaring an emergency.

Recommendation:

It is recommended that Council adopt a resolution declaring the intent and necessity of the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270).

Background/Synopsis:

This project involves twenty-four (24) parcels with nine (9) different owners. This project involves the realignment of the intersection at Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) to eliminate the existing offset condition of the side streets to allow for protected left turns and better condition between this signal and other signals on Route 4.

It is necessary for City Council to adopt a resolution declaring the intent and necessity of the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270).

Financial Impact:

The estimated cost of right-of-way acquisition for the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) at this time is \$96,334.00. This amount may increase through the negotiation and litigation process. The appropriation of funds will be requested by separate Council letters.

Emergency Provision Explanation:

Suspension of the rules and the emergency clause are requested so that the appropriations may be completed in a timely manner to allow construction to begin.

Rule Suspension Requested:

Yes

Emergency Provision Needed:

Yes

Attachments:

1. Route 4-Michael Lane-Res

RESOLUTION NO. _____

RESOLUTION DECLARING INTENT AND NECESSITY
OF THE ROUTE 4/MICHAEL LANE & CAMELOT DRIVE
INTERSECTION IMPROVEMENTS PROJECT (BUT-4-
3.56 PID 108270) AND DECLARING AN EMERGENCY.

WHEREAS, Council has determined that it is necessary to make the improvement identified as the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270); and

WHEREAS, Council has determined that it is necessary to acquire certain warranty deed, permanent and temporary easement parcels in real property in order to make the improvement identified as the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) in accordance with the plans prepared by LJB, Inc., which plans are on file in the office of the Public Works Director; and

WHEREAS, Council deems it necessary at this time to proceed with the acquisition of the necessary warranty deed, permanent and temporary easement parcels in the real property hereinafter described in order to accomplish the goals for acquisition and construction of said Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fairfield, Ohio, that:

Section 1. The Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) is hereby determined to be necessary for the public health, safety, welfare, benefit and protection of the citizens of the City of Fairfield. The plans for said project as prepared by LJB, Inc. and titled Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270), are hereby approved. A copy of the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270) plans are on file in the office of the Public Works Director.

Section 2. It is the intent of the City of Fairfield, Ohio to appropriate to public use warranty deed, permanent and temporary easement parcels in the following described real property which real property is necessary in order to accomplish the goals of the improvement known as the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270), to wit:

<u>PARCEL NO.</u>	<u>OWNERS</u>
2-WD1, 2-WD2, 2-S, 2-T1, 2-T2	Bonaminio Family Limited Partnership
3-WD	Kennedy Centre, Inc.
4-WD, 4-T	Noble Family, LLC
5-WD1, 5WD2, 5-T1, 5-T2	Wellesley-Fairfield, LLC
6-WD, 6-T, 6-U	Bradley J. Abbey
7-WD, 7-T	New Group, Inc.
8-T	Boymel Family, LLC
10-WD, 10-T, 10-S	Bonaminio Family Limited Partnership
11-WD, 11-T1, 11-T2	Jungle Jim's Market, Inc.

The legal descriptions and legal interests to be acquired on the above parcels are attached hereto and made a part of this Resolution of Intent by reference.

Section 3. The purpose of said warranty deed, permanent and temporary easement parcels and the taking described hereinabove is for the public use, namely for the improvement identified as the Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270).

Section 4. At any time subsequent to the effective date of this Resolution, the City Manager is hereby authorized to acquire by purchase the real property interests herein described in this resolution, and in accordance with such acquisition, to enter into special contracts for necessary services, except or otherwise as the same may be required.

Section 5. The Mayor of the City of Fairfield, Ohio, be and he is hereby authorized to cause written notice of the passage of this resolution to be given to the owner, persons in possession or having an interest of record in the above described premises and said notice shall be served and return made according to law by the Mayor of the City of Fairfield through his deputized agent.

Section 6. It is determined to be in the public interest that the City take immediate possession of the property and any structures thereon, in order to accomplish the goals for the construction of said Route 4/Michael Lane & Camelot Drive Intersection Improvements Project (BUT-4-3.56 PID 108270).

Section 7. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare and for the urgent benefit and protection of the City

and its inhabitants for the reason that the parcels be secured to allow construction to proceed in a timely manner; wherefore, this Resolution shall take effect immediately upon its passage.

Passed	_____	_____
		Mayor's Approval
Posted	_____	
First Reading	_____	Rules Suspended _____
Second Reading	_____	Emergency _____
Third Reading	_____	

ATTEST:

Clerk of Council

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

Clerk of Council

Active Clients\City of Fairfield\Ordinances\2020\ Route 4-Michael Lane-Res



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Lance Kennedy,
 Submitting Department: City Manager's Office

Subject:

OCM02 - Software Licensing

Legislation Title:

Ordinance to authorize the City Manager to enter into a contract with CDW Government for the purchase of Microsoft Software Licensing and declaring an emergency.

Recommendation:

Background/Synopsis:

The city maintains an Enterprise Agreement with Microsoft for licensing, and upgrading Microsoft software. As new services are added/changed it becomes necessary, at times to add software and/or access licenses to the agreement. With additional functionality being added to city applications such as ESS and e-filing it is necessary to modify the licensing model for those database systems. Additional licensing is also being requested to accommodate the “true up” system utilized by Microsoft when adding physical systems and increasing virtual/cloud computing systems. This project has been classified as a *CRITICAL* priority which is necessary for maintaining current service delivery. Ohio State bid pricing is used when state bid pricing is the lower cost option.

Financial Impact:

An appropriation in the amount of **\$115,000** is being requested for additional software licensing to maintain the continued operation of the City’s computing systems. Funding for these efforts was included in the 2020-2024 Capital Improvement Program (CIP) under project **OCM02** ‘SOFTWARE MAINTENANCE’.

Emergency Provision Explanation:

An emergency provision is necessary without competitive bidding in order to avoid unnecessary renewal fees and so that purchases can be made immediately.

Rule Suspension Requested:

Yes

Emergency Provision Needed:

Yes

Attachments:

1. 0CM03 CDWG MS Software License Quote
2. CDW Government-Ord

QUOTE CONFIRMATION



DEAR LANCE KENNEDY,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
LTLS898	11/30/2020	MS WIN SRV/SQL LIC/SA	6636447	\$115,000.00

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
NEW ITEM Mfg. Part#: NEW-ITEM Microsoft EA Windows Server and SQL Licenses W/SA Contract: MARKET	1	NEW-ITEM	\$115,000.00	\$115,000.00

PURCHASER BILLING INFO		SUBTOTAL	\$115,000.00
Billing Address: CITY OF FAIRFIELD ACCOUNTS PAYABLE 5350 PLEASANT AVE FAIRFIELD, OH 45014-3597 Phone: (513) 867-5315 Payment Terms: NET 30-VERBAL		SHIPPING	\$0.00
		SALES TAX	\$0.00
		GRAND TOTAL	\$115,000.00
DELIVER TO		Please remit payments to:	
Shipping Address: CITY OF FAIRFIELD LANCE KENNEDY 5350 PLEASANT AVE FAIRFIELD, OH 45014-3597 Phone: (513) 867-5315 Shipping Method: DROP SHIP-GROUND		CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	

Need Assistance? CDW•G SALES CONTACT INFORMATION



John Bautista

(877) 810-5987

johnbau@cdwg.com

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$115,000.00	\$3,052.10/Month	\$115,000.00	\$3,533.95/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

Why finance?

- Lower Upfront Costs. Get the products you need without impacting cash flow. Preserve your working capital and existing credit line.
- Flexible Payment Terms. 100% financing with no money down, payment deferrals and payment schedules that match your company's business cycles.
- Predictable, Low Monthly Payments. Pay over time. Lease payments are fixed and can be tailored to your budget levels or revenue streams.
- Technology Refresh. Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.

- **Bundle Costs.** You can combine hardware, software, and services into a single transaction and pay for your software licenses over time! We know your challenges and understand the need for flexibility.

General Terms and Conditions:

This quote is not legally binding and is for discussion purposes only. The rates are estimate only and are based on a collection of industry data from numerous sources. All rates and financial quotes are subject to final review, approval, and documentation by our leasing partners. Payments above exclude all applicable taxes. Financing is subject to credit approval and review of final equipment and services configuration. Fair Market Value leases are structured with the assumption that the equipment has a residual value at the end of the lease term.

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdwg.com/content/terms-conditions/product-sales.aspx>
For more information, contact a CDW account manager

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ORDINANCE NO. _____

ORDINANCE TO AUTHORIZE THE CITY MANAGER TO
ENTER INTO A CONTRACT WITH CDW GOVERNMENT FOR
THE PURCHASE OF MICROSOFT SOFTWARE LICENSING
AND DECLARING AN EMERGENCY.

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

Section 1. The City Manager is hereby authorized to enter into a contract with CDW Government for the purchase of Microsoft Software Licensing in accordance with the quote on file in the office of the City Manager. An emergency provision is necessary without competitive bidding in order to avoid unnecessary renewal fees and so that purchases can be made immediately.

Section 2. This Ordinance is hereby declared to be an emergency measure necessary for the urgent benefit and protection of the City and its inhabitants for the reason that unnecessary renewal fees be avoided; wherefore, this ordinance shall take effect immediately upon its passage.

Passed	_____	_____	_____
		Mayor's Approval	
Posted	_____		
First Reading	_____	Rules Suspended	_____
Second Reading	_____	Emergency	_____
Third Reading	_____		

ATTEST:

Clerk of Council

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

Clerk of Council



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Scott Timmer, Director of Finance
 Submitting Department: Finance

Subject:

2021 Annual Operating Budget

Legislation Title:

An Ordinance to make estimated appropriations for the expenses and expenditures of the City of Fairfield, Ohio during the period beginning January 1, 2021 and ending December 31, 2021.

Recommendation:

Background/Synopsis:

The proposed budget represents this coming year's plan for generating revenues and funding expenditures sufficient to implement specific programs, functions, and activities during the 2021 fiscal year. The budget is the City's primary fiscal planning document. Its major goal is to provide sound fiscal administration.

Financial Impact:

City expenditures, which include the departmental budgets, debt service and fund transfers as contained in the 2021 Operating Budget presented at the Council-Manager Briefings on October 26th and November 9th total \$74,443,893.

This amount is down \$310,438 from the Council-Manager presented amount of \$74,754,331. The decreases are a result of removing the following items:

- Theatre Coordinator – Parks and Recreation Department (\$73,478)
- Clerk – Police Department (\$81,616)
- Communications Manager – City Manager's Office (\$108,250)
- Park Ranger (PT) – Police Department (\$47,094)

Estimated revenues for fiscal year 2021 are \$84,575,604.

Emergency Provision Explanation:

N/A

Rule Suspension Requested:

Yes

Emergency Provision Needed:

No

Attachments:

1. 2021_AppropriationOrdinance_FINAL (With Council Changes)

Ordinance Number -

AN ORDINANCE TO MAKE ESTIMATED APPROPRIATIONS FOR THE EXPENSES AND OTHER EXPENDITURES OF THE CITY FAIRFIELD, OHIO DURING THE PERIOD BEGINNING JANUARY 1, 2021 AND ENDING DECEMBER 31, 2021.

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

Section 1. That to provide for the estimated expenses and other expenditures of the City of Fairfield, Ohio during the beginning January 1, 2021 and ending December 31, 2021, the following sums are hereby set aside and appropriated as follows, TO WIT:

Section 2. That sums are hereby appropriated from the various funds of the City to accounts of the City for the purposes therein described as follows:

FROM: UNAPPROPRIATED FUND 100 - GENERAL FUND		29,424,115.00
TO: 110	MAYOR & CITY COUNCIL	223,044.00
	Personnel	199,679.00
	Other	23,365.00
TO: 115	MAYOR	13,824.00
	Personnel	11,324.00
	Other	2,500.00
TO: 120	CITY MANAGER	524,357.00
	Personnel	490,007.00
	Other	34,350.00
TO: 125	GENERAL SERVICES	4,494,257.00
	Personnel	65,257.00
	Other	4,429,000.00
TO: 130	LAW DIRECTOR	563,550.00
	Personnel	500.00
	Other	563,050.00
TO: 145	HUMAN RESOURCES	348,423.00
	Personnel	260,373.00
	Other	88,050.00
TO: 150	PLANNING & ECONOMIC DEVL	675,399.00
	Personnel	631,499.00
	Other	43,900.00
TO: 155	BUILDING & ZONING INSPECTION	860,723.00
	Personnel	783,551.00
	Other	77,172.00
TO: 160	SPECIAL APPROPRIATION	0.00
	Personnel	0.00
	Other	0.00
TO: 210	FINANCE ADM & ACCOUNTING	689,941.00
	Personnel	660,371.00
	Other	29,570.00
TO: 211	INCOME TAX	719,452.00

	Personnel	636,452.00	
	Other	83,000.00	
TO: 213	INFORMATION TECHNOLOGY		583,702.00
	Personnel	505,277.00	
	Other	78,425.00	
TO: 310	POLICE		12,657,078.00
	Personnel	11,751,378.00	
	Other	905,700.00	
TO: 315	MUNICIPAL COURT		1,839,425.00
	Personnel	1,552,925.00	
	Other	286,500.00	
TO: 316	JUSTICE CENTER		844,896.00
	Personnel	0.00	
	Other	844,896.00	
TO: 410	PUBLIC WORKS ADMINISTRATION		941,009.00
	Personnel	790,534.00	
	Other	150,475.00	
TO: 412	MUNICIPAL BUILDING		388,386.00
	Personnel	213,036.00	
	Other	175,350.00	
TO: 510	PARKS & RECREATION ADM		967,721.00
	Personnel	821,721.00	
	Other	146,000.00	
TO: 512	PARKS MAINTENANCE OPERATIONS		1,295,232.00
	Personnel	903,732.00	
	Other	391,500.00	
TO: 513	MARSH PARK FISHING LAKE		76,785.00
	Personnel	35,385.00	
	Other	41,400.00	
TO: 530	COMMUNITY ARTS CENTER		716,911.00
	Personnel	189,336.00	
	Other	527,575.00	
	TOTAL GENERAL FUND		<u>29,724,115.00</u>

FROM: UNAPPROPRIATED FUND 201 - STREET CONST, MAINT & REPAIR **3,207,454.00**

TO: 420	STREETS & TRANSPORTATION		3,207,454.00
	Personnel	1,768,914.00	
	Other	1,438,540.00	
	TOTAL STREET CONST, MAINT & REPAIR		<u>3,207,454.00</u>

FROM: UNAPPROPRIATED FUND 202 - STATE HIGHWAY IMP **152,175.00**

TO: 420	STREETS & TRANSPORTATION		152,175.00
	Personnel	152,175.00	
	Other	0.00	

Attachment: 2021_AppropriationOrdinance_FINAL (With Council Changes) (1683 : 2021 Annual Operating Budget)

TOTAL STATE HIGHWAY IMP		152,175.00
FROM: UNAPPROPRIATED FUND 203 - FIRE LEVY		7,828,779.00
TO: 320	FIRE SUPPRESSION	7,828,779.00
	Personnel	6,939,279.00
	Other	889,500.00
TO: 330	PARAMEDIC PREVENTION	0.00
	Personnel	0.00
	Other	0.00
TOTAL FIRE LEVY		7,828,779.00
FROM: UNAPPROPRIATED FUND 205 - COUNTY MOTOR VEHICLE		0.00
TO: 160	SPECIAL APPROPRIATION	0.00
	Personnel	0.00
	Other	0.00
TO: 160	SPECIAL APPROPRIATIONS	0.00
	Personnel	0.00
	Other	0.00
TOTAL COUNTY MOTOR VEHICLE		0.00
FROM: UNAPPROPRIATED FUND 206 - TAX RECREATION		0.00
TO: 160	SPECIAL APPROPRIATIONS	0.00
	Personnel	0.00
	Other	0.00
TOTAL TAX RECREATION		0.00
FROM: UNAPPROPRIATED FUND 211 - LAW ENFORCEMENT		27,000.00
TO: 310	POLICE	27,000.00
	Personnel	0.00
	Other	27,000.00
TOTAL LAW ENFORCEMENT		27,000.00
FROM: UNAPPROPRIATED FUND 212 - MUNICIPAL MOTOR VEHICLE		329,713.00
TO: 420	STREETS & TRANSPORTATION	329,713.00
	Personnel	329,713.00
	Other	0.00
TOTAL MUNICIPAL MOTOR VEHICLE		329,713.00
FROM: UNAPPROPRIATED FUND 213 - LAW ENFORCEMENT & EDU		30,000.00
TO: 310	POLICE	30,000.00

Personnel	0.00	
Other	30,000.00	
TOTAL LAW ENFORCEMENT & EDU	<u>30,000.00</u>	
FROM: UNAPPROPRIATED FUND 214 - DRUG & ALCOHOL TREATMENT		<u>20,000.00</u>
TO: 315 MUNICIPAL COURT	20,000.00	
Personnel	0.00	
Other	20,000.00	
TOTAL DRUG & ALCOHOL TREATMENT	<u>20,000.00</u>	
FROM: UNAPPROPRIATED FUND 215 - LOCAL LAW ENFORCE BLOCK		<u>5,000.00</u>
TO: 160 SPECIAL APPROPRIATION	0.00	
Personnel	0.00	
Other	0.00	
TO: 310 POLICE	5,000.00	
Personnel	0.00	
Other	5,000.00	
TOTAL LOCAL LAW ENFORCE BLOCK	<u>5,000.00</u>	
FROM: UNAPPROPRIATED FUND 216 - PROBATION SERVICES		<u>434,098.00</u>
TO: 315 MUNICIPAL COURT	434,098.00	
Personnel	360,098.00	
Other	74,000.00	
TOTAL PROBATION SERVICES	<u>434,098.00</u>	
FROM: UNAPPROPRIATED FUND 217 - COURT COMPUTER		<u>110,000.00</u>
TO: 315 MUNICIPAL COURT	110,000.00	
Personnel	0.00	
Other	110,000.00	
TOTAL COURT COMPUTER	<u>110,000.00</u>	
FROM: UNAPPROPRIATED FUND 218 - SPECIAL PROJECTS		<u>105,837.00</u>
TO: 315 MUNICIPAL COURT	105,837.00	
Personnel	65,337.00	
Other	40,500.00	
TOTAL SPECIAL PROJECTS	<u>105,837.00</u>	
FROM: UNAPPROPRIATED FUND 219 - MEDIATION SERVICES		<u>2,500.00</u>
TO: 315 MUNICIPAL COURT	2,500.00	

Personnel	0.00	
Other	2,500.00	
TOTAL MEDIATION SERVICES	<u>2,500.00</u>	
FROM: UNAPPROPRIATED FUND 220 - TAX INCREMENT EQUIVALENT		<u>1,000.00</u>
TO: 160 TAX INCREMENT EQUIVALENT	1,000.00	
Personnel	0.00	
Other	1,000.00	
TOTAL TAX INCREMENT EQUIVALENT	<u>1,000.00</u>	
FROM: UNAPPROPRIATED FUND 221 - INDIGENT DRIVER INTERLOCK		<u>10,000.00</u>
TO: 315 INDIGENT DRIVER INTERLOCK	10,000.00	
Personnel	0.00	
Other	10,000.00	
TOTAL INDIGENT DRIVER INTERLOCK	<u>10,000.00</u>	
FROM: UNAPPROPRIATED FUND 301 - GENERAL BOND RETIREMENT		<u>1,643,171.00</u>
TO: 160 SPECIAL APPROPRIATION	1,643,171.00	
Personnel	0.00	
Other	1,643,171.00	
TOTAL GENERAL BOND RETIREMENT	<u>1,643,171.00</u>	
FROM: UNAPPROPRIATED FUND 401 - STREET IMPROVEMENT		<u>939,696.00</u>
TO: 160 SPECIAL APPROPRIATION	939,696.00	
Personnel	0.00	
Other	939,696.00	
TOTAL STREET IMPROVEMENT	<u>939,696.00</u>	
FROM: UNAPPROPRIATED FUND 402 - CAPITAL IMPROVEMENT		<u>1,386,975.00</u>
TO: 160 SPECIAL APPROPRIATION	1,386,975.00	
Personnel	0.00	
Other	1,386,975.00	
TOTAL CAPITAL IMPROVEMENT	<u>1,386,975.00</u>	
FROM: UNAPPROPRIATED FUND 407 - WATER EXPANSION		<u>5,000.00</u>
TO: 160 SPECIAL APPROPRIATION	5,000.00	
Personnel	0.00	
Other	5,000.00	
TOTAL WATER EXPANSION	<u>5,000.00</u>	

FROM: UNAPPROPRIATED FUND 408 - SEWER EXPANSION		10,000.00
TO: 160 SPECIAL APPROPRIATION	10,000.00	
Personnel	0.00	
Other	10,000.00	
TOTAL SEWER EXPANSION	10,000.00	
FROM: UNAPPROPRIATED FUND 409 - FLOOD PROTECTION		0.00
TO: 160 SPECIAL APPROPRIATION	0.00	
Personnel	0.00	
Other	0.00	
TOTAL FLOOD PROTECTION	0.00	
FROM: UNAPPROPRIATED FUND 410 - STATE ISSUE I		10,000.00
TO: 160 SPECIAL APPROPRIATION	10,000.00	
Personnel	0.00	
Other	10,000.00	
TOTAL STATE ISSUE I	10,000.00	
FROM: UNAPPROPRIATED FUND 411 - DOWNTOWN DEVELOPMENT		0.00
TO: 160 SPECIAL APPROPRIATION	0.00	
Personnel	0.00	
Other	0.00	
TOTAL DOWNTOWN DEVELOPMENT	0.00	
FROM: UNAPPROPRIATED FUND 413 - PARK DEVELOPMENT FUND		0.00
TO: 160 SPECIAL APPROPRIATION	0.00	
Personnel	0.00	
Other	0.00	
TOTAL PARK DEVELOPMENT FUND	0.00	
FROM: UNAPPROPRIATED FUND 501 - SPECIAL ASSESSMENT		348,698.00
TO: 160 SPECIAL APPROPRIATION	348,698.00	
Personnel	0.00	
Other	348,698.00	
TOTAL SPECIAL ASSESSMENT	348,698.00	
FROM: UNAPPROPRIATED FUND 601 - WATER REVENUE		6,471,457.00
TO: 212 UTILITY COLLECTION	350,818.00	

	Personnel	193,893.00	
	Other	156,925.00	
TO: 610	PUBLIC UTILITY ADMINISTRATION		202,409.00
	Personnel	93,659.00	
	Other	108,750.00	
TO: 611	WATER SUPERVISION		881,747.00
	Personnel	365,102.00	
	Other	516,645.00	
TO: 612	WATER PUMPING TREATMENT		2,265,648.00
	Personnel	990,848.00	
	Other	1,274,800.00	
TO: 613	WATER DISTRIBUTION & MAINT		1,398,335.00
	Personnel	921,895.00	
	Other	476,440.00	
TO: 619	WATER DEBT SERVICE		1,372,500.00
	Personnel	0.00	
	Other	1,372,500.00	
	TOTAL WATER REVENUE		<u>6,471,457.00</u>

FROM: UNAPPROPRIATED FUND 602 - WATER BOND & INTEREST			625,975.00
TO: 619	WATER DEBT SERVICE	625,975.00	
	Personnel	0.00	
	Other	625,975.00	
	TOTAL WATER BOND & INTEREST	<u>625,975.00</u>	

FROM: UNAPPROPRIATED FUND 603 - WATER BOND REDEMPTION			0.00
TO: 619	WATER DEBT SERVICE	0.00	
	Personnel	0.00	
	Other	0.00	
	TOTAL WATER BOND REDEMPTION	<u>0.00</u>	

FROM: UNAPPROPRIATED FUND 604 - WATER REPLACEMENT & IMP			10,000.00
TO: 160	SPECIAL APPROPRIATION	10,000.00	
	Personnel	0.00	
	Other	10,000.00	
TO: 160	WATER REPLACEMENT & IMP	0.00	
	Personnel	0.00	
	Other	0.00	
TO: 619	WATER DEBT SERVICE	0.00	
	Personnel	0.00	
	Other	0.00	
	TOTAL WATER REPLACEMENT & IMP	<u>10,000.00</u>	

FROM: UNAPPROPRIATED FUND 605 - WATER SURPLUS		5,000.00
TO: 160 SPECIAL APPROPRIATION	5,000.00	
Personnel	0.00	
Other	5,000.00	
TOTAL WATER SURPLUS	5,000.00	

FROM: UNAPPROPRIATED FUND 606 - WATER GUARANTEED TRUST		65,000.00
TO: 212 UTILITY COLLECTION	65,000.00	
Personnel	0.00	
Other	65,000.00	
TOTAL WATER GUARANTEED TRUST	65,000.00	

FROM: UNAPPROPRIATED FUND 620 - SEWER REVENUE		7,130,196.00
TO: 212 UTILITY COLLECTION	1,639,738.00	
Personnel	158,638.00	
Other	1,481,100.00	
TO: 610 PUBLIC UTILITY ADMINISTRATION	141,759.00	
Personnel	93,659.00	
Other	48,100.00	
TO: 621 SEWER SUPERVISION	1,107,115.00	
Personnel	502,645.00	
Other	604,470.00	
TO: 622 SEWER PLANT	1,816,262.00	
Personnel	1,021,298.00	
Other	794,964.00	
TO: 623 SEWER COLLECTION & MAINT	1,228,322.00	
Personnel	988,984.00	
Other	239,338.00	
TO: 629 SEWER DEBT SERVICE	1,197,000.00	
Personnel	0.00	
Other	1,197,000.00	
TOTAL SEWER REVENUE	7,130,196.00	

FROM: UNAPPROPRIATED FUND 621 - SEWER BOND & INTEREST		201,100.00
TO: 629 SEWER DEBT SERVICE	201,100.00	
Personnel	0.00	
Other	201,100.00	
TOTAL SEWER BOND & INTEREST	201,100.00	

FROM: UNAPPROPRIATED FUND 622 - SEWER BOND REDEMPTION		0.00
TO: 629 SEWER DEBT SERVICE	0.00	

Personnel	0.00	
Other	0.00	
TOTAL SEWER BOND REDEMPTION		<u>0.00</u>
FROM: UNAPPROPRIATED FUND 623 - SEWER REPLACEMENT & IMP		201,536.00
TO: 160 SEWER REPLACEMENT & IMP	201,536.00	
Personnel	0.00	
Other	201,536.00	
TOTAL SEWER REPLACEMENT & IMP		<u>201,536.00</u>
FROM: UNAPPROPRIATED FUND 624 - SEWER SURPLUS		20,000.00
TO: 160 SPECIAL APPROPRIATION	20,000.00	
Personnel	0.00	
Other	20,000.00	
TOTAL SEWER SURPLUS		<u>20,000.00</u>
FROM: UNAPPROPRIATED FUND 630 - SOLID WASTE MANAGEMENT		2,412,340.00
TO: 212 UTILITY COLLECTION	0.00	
Personnel	0.00	
Other	0.00	
TO: 630 SOLID WASTE MANAGEMENT	2,412,340.00	
Personnel	0.00	
Other	2,412,340.00	
TOTAL SOLID WASTE MANAGEMENT		<u>2,412,340.00</u>
FROM: UNAPPROPRIATED FUND 640 - RECREATIONAL FACILITIES		1,620,757.00
TO: 511 AQUATIC CENTER OPERATIONS	206,143.00	
Personnel	135,643.00	
Other	70,500.00	
TO: 514 AQUATIC CENTER DEBT	4,200.00	
Personnel	0.00	
Other	4,200.00	
TO: 515 GOLF PRO SHOP	698,034.00	
Personnel	373,865.00	
Other	324,169.00	
TO: 520 GOLF MAINTENANCE	712,380.00	
Personnel	339,330.00	
Other	373,050.00	
TOTAL RECREATIONAL FACILITIES		<u>1,620,757.00</u>
FROM: UNAPPROPRIATED FUND 641 - RECREATION ACTIVITY		440,285.00
TO: 510 PARKS & RECREATION ADM	440,285.00	

Personnel	271,285.00	
Other	169,000.00	
TOTAL RECREATION ACTIVITY	<u>440,285.00</u>	
FROM: UNAPPROPRIATED FUND 702 - EMPLOYEES BENEFITS		<u>5,738,075.00</u>
TO: 160 SPECIAL APPROPRIATION	5,738,075.00	
Personnel	5,200,000.00	
Other	538,075.00	
TOTAL EMPLOYEES BENEFITS	<u>5,738,075.00</u>	
FROM: UNAPPROPRIATED FUND 705 - MUNICIPAL GARAGE SERVICES		<u>1,104,884.00</u>
TO: 430 FLEET MANAGEMENT	1,104,884.00	
Personnel	682,959.00	
Other	421,925.00	
TOTAL MUNICIPAL GARAGE SERVICES	<u>1,104,884.00</u>	
FROM: UNAPPROPRIATED FUND 706 - COMPENSATED LEAVE		<u>0.00</u>
TO: 160 COMPENSATED LEAVE	0.00	
Personnel	0.00	
Other	0.00	
TOTAL COMPENSATED LEAVE	<u>0.00</u>	
FROM: UNAPPROPRIATED FUND 707 - WEST CHESTER JEDD I		<u>2,366,077.00</u>
TO: 211 WEST CHESTER JEDD 1	2,366,077.00	
Personnel	0.00	
Other	2,366,077.00	
TOTAL WEST CHESTER JEDD I	<u>2,366,077.00</u>	
TOTAL APPROPRIATIONS		<u>74,443,893.00</u>

Section 3. That the Finance Director is hereby directed to make payment from any of the foregoing appropriations upon receiving proper certification and vouchers approved by board or officers authorized by law to approve the same or an ordinance or resolution of Council to make expenditures; provided that no warrants shall be drawn or paid for salaries or wages except to persons employed by authority of and in accordance with law or ordinance. Provided further, that an appropriation for contingencies can only be expended for the purposes constituting a legal obligation against the City, and for no other purposes other than those covered by the specific appropriations herein made.

Section 4. That this Ordinance shall take effect at the earliest period allowed by law and is hereby declared to be necessary for the orderly fiscal management of said City and in order to assure the proper payment of financial obligations of the City of Fairfield, Ohio including salaries and wages of employees and is necessary for the general welfare of the citizens and shall take effect immediately upon its passage.

Passed _____

Mayor's Approval

Posted _____

First Reading _____

Rules Suspended _____

Second Reading _____

Third Reading _____

ATTEST: _____
Clerk of Council

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

Clerk of Council



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Scott Timmer, Director of Finance
 Submitting Department: Finance

Subject:
 Supplemental Appropriations

Legislation Title:
 Ordinance to amend Ordinance No. 119-19 entitled "An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020." - Supplemental Appropriations

Recommendation:
 It is necessary for City Council to pass appropriations to reconcile accounts. It is recommended that City Council authorize and direct the preparation of legislation amending the annual operating budget.

Background/Synopsis:
 At the end of each fiscal year, the Finance Department analyzes all Personnel and Other Fixed cost line items to determine adequacy for fiscal year end. Supplemental appropriations are requested to ensure no unauthorized expenditures occur during closeout. Additional appropriations are being sought in the following funds:

- General Fund to cover salary and wages for Building & Zoning, and Parks Maintenance.
- Street Construction, Maintenance & Repair Fund appropriations to cover salary and wages.
- Water Revenue Fund appropriations to cover salary and wages for Utility Billing and Water Pumping Treatment.
- Sewer Revenue Fund appropriations for Utility Billing to cover salary and wages.
- Solid Waste Management Funds are necessary to cover solid waste contractual charges.
- Municipal Garage Services Funds are necessary to cover salary and wages.
- Employee Benefits Fund, additional monies are necessary to cover claims.

From: Unappropriated General Fund... \$ 70,000

To:	10015521-211000	Salaries & Wages	60,000
	10051221-211000	Salaries & Wages	10,000

From: Unappropriated Street Const, Maint & Repair Fund... \$ 25,000

To:	20142021-211000	Salaries & Wages	25,000
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From: Unappropriated Water Revenue Fund... \$ 22,500

To:	60121221-211000	Salaries & Wages	7,500
	60161221-211000	Salaries & Wages	15,000

From: Unappropriated Sewer Revenue Fund... **\$ 5,000**

To:	62021221-211000	Salaries & Wages	5,000
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From: Unappropriated Solid Waste Management Fund... **\$115,000**

To:	63063023-231500	Solid Waste	115,000
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From: Unappropriated Employee Benefits Trust Fund... **\$475,000**

To:	70216021-214000	Hospitalization	475,000
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From: Unappropriated Municipal Garage Services Fund... **\$ 25,000**

To:	70543021-211000	Salaries & Wages	25,000
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Financial Impact:

Supplemental appropriations required in the following amounts: General Fund - \$70,000, Street Construction, Maintenance & Repair - \$25,000, Water Revenue Fund - \$22,500, Sewer Revenue Fund - \$5,000, Solid Waste Management Fund \$115,000, Employee Benefits Fund - \$475,000, and Municipal Garage Services Fund - \$25,000. Total requested: \$737,500.

Emergency Provision Explanation:

Rule Suspension Requested:

Yes

Emergency Provision Needed:

No

Attachments:

1. Supplemental App-Ord

ORDINANCE NO. _____

ORDINANCE TO AMEND ORDINANCE NO. 119-19 ENTITLED
 “AN ORDINANCE TO MAKE ESTIMATED APPROPRIATIONS
 FOR THE EXPENSES AND OTHER EXPENDITURES OF THE
 CITY OF FAIRFIELD, OHIO, DURING A PERIOD BEGINNING
 JANUARY 1, 2020, AND ENDING DECEMBER 31, 2020.”

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

Section 1. Ordinance No. 119-19, the 2020 Appropriation Ordinance, is hereby amended in the following respects:

From:	Unappropriated General Fund	\$70,000
To:	10015521-211000 Salaries & Wages	\$60,000
To:	10051221-211000 Salaries & Wages	\$10,000
From:	Unappropriated Street Const, Maint & Repair Fund	\$25,000
To:	20142021-211000 Salaries & Wages	\$25,000
From:	Unappropriated Water Revenue Fund	\$22,500
To:	60121221-211000 Salaries & Wages	\$7,500
To:	60161221-211000 Salaries & Wages	\$15,000
From:	Unappropriated Sewer Revenue Fund	\$5,000
To:	62021221-211000 Salaries & Wages	\$5,000
From:	Unappropriated Solid Waste Management Fund	\$115,000
To:	63063023-231500 Solid Waste	\$115,000
From:	Unappropriated Employee Benefits Trust Fund	\$475,000
To:	70216021-214000 Hospitalization	\$475,000

Attachment: Supplemental App-Ord (1684 : Supplemental Appropriations)

From: Unappropriated Municipal Garage Services Fund \$25,000

To: 70543021-211000 Salaries & Wages \$25,000

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

Passed _____ Mayor's Approval _____

Posted _____

First Reading _____ Rules Suspended _____

Second Reading _____

Third Reading _____

ATTEST:

Clerk of Council

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

Clerk of Council

Active Clients\City of Fairfield\Ordinances\2020\Supplemental App-Ord

Attachment: Supplemental App-Ord (1684 : Supplemental Appropriations)



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Alisha Wilson, Clerk
Submitting Department: Clerk

Subject:

Contractual Appropriations

Legislation Title:

Ordinance to amend Ordinance No. 119-19 entitled "An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020."

Recommendation:

It is recommended that City Council suspend the rules requiring a second and third reading of this Ordinance and adopt the appropriations listed above.

Background/Synopsis: Please refer to specific Council Communications for full description of these items.

\$115,000 for Microsoft Software Licensing

Financial Impact: \$115,000.00 from noted funding source.

Rule Suspension Requested:

Yes

Emergency Provision Needed:

No

Attachments:

1. Contractual 12-7-Ord

ORDINANCE NO. _____

ORDINANCE TO AMEND ORDINANCE NO. 119-19 ENTITLED
 “AN ORDINANCE TO MAKE ESTIMATED APPROPRIATIONS
 FOR THE EXPENSES AND OTHER EXPENDITURES OF THE
 CITY OF FAIRFIELD, OHIO, DURING A PERIOD BEGINNING
 JANUARY 1, 2020, AND ENDING DECEMBER 31, 2020.”

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

Section 1. Ordinance No. 119-19, the 2020 Appropriation Ordinance, is hereby amended in the following respects:

From: Unappropriated General Fund \$115,000

To: 10012523-234300 Software Maintenance \$115,000
(Software Licensing OCM02)

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

Passed	_____	_____
		Mayor's Approval
Posted	_____	
First Reading	_____	Rules Suspended _____
Second Reading	_____	
Third Reading	_____	

ATTEST:

 Clerk of Council

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

 Clerk of Council



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Alisha Wilson, Clerk
 Submitting Department: Clerk

Subject:

Non-Contractual Appropriations

Legislation Title:

Ordinance to amend Ordinance No. 119-19 entitled “An Ordinance to make estimated appropriations for the expenses and other expenditures of the City of Fairfield, Ohio, during a period beginning January 1, 2020, and ending December 31, 2020.”

Recommendation:

It is recommended that City Council suspend the rules requiring a second and third reading of this Ordinance and adopt the appropriations listed above.

Background/Synopsis: Please refer to specific Council Communications for full description of these items.

\$93,334 for right of way acquisition (multiple owners);
 \$19,995 for Village Green Park System/Lighting Upgrades.

Financial Impact: \$113,329.00 from noted funding source.

Rule Suspension Requested:

Yes

Emergency Provision Needed:

No

Attachments:

1. NonContractualAppropriations.120720
2. Non Contractual 12-7-Ord



City Council Ordinance
Regular Meeting - December 7, 2020

Submitted by: Ben Mann,
 Submitting Department: Public Works

Subject:

Right of Way Appropriation for Route 4, Michael Lane & Camelot Drive Intersection Improvements

Legislation Title:

Right of Way Appropriation for Route 4, Michael Lane & Camelot Drive Intersection Improvements (BUT-4-3.56 PID 108270)

Recommendation:

It is recommended that City Council authorize the appropriation of funds as listed in the financial impact

Background/Synopsis:

It is necessary for City Council to authorize the funding for the acquisition of right of way for the Route 4 / Michael Lane / Camelot Drive Intersection Improvements (BUT-4-3.56 PID 108270).

2 WD1 / WD2 / S	Bonaminio Family Limited Partnership	\$43,515
4 WD / T	Noble Family, LLC.	\$14,087
7 WD / T	New Group, Inc.	\$1,154
10 WD / S / T	Bonaminio Family Limited Partnership	\$18,650
11 WD / T1 / T2	Jungle Jim's Market, Inc.	\$9,028

Briggs Creative Services, LLC is negotiating right of way on behalf of the City and BCS has the required ODOT qualifications.

This project is identified in the current 2020-2024 Capital Improvement Program as OPW27. ODOT will be funding approximately 90% of eligible costs for engineering, right of way, and construction.

The intersection was ranked 196 on ODOT's 2015 Highway Safety list and has been identified by the City as an intersection in need of realignment in order to eliminate the existing offset condition of the side streets. It is the City's desire to realign the intersection to allow for protected left turns on Route 4 and better coordination between this signal and other signals on Route 4.

Route 4 is part of the National Highway System (NHS). The City was granted permission from ODOT to perform engineering and construction administration on this project as it progresses.

Financial Impact:

\$96,334.00 from the Street Improvement Fund (\$86,434.00 for real estate plus \$9900.00 for residue survey fees and contingency items) for the purchase and closing of multiple parcels from several different ownerships. The acquisition costs will be reimbursed based on a share of 10% Local and 90% Federal up to the cap for this project. Costs in 2021 will likely exceed the right of way cap and the City will be responsible for purchases above the project threshold at that time.

Emergency Provision Explanation:

Not requested.

Rule Suspension Requested:

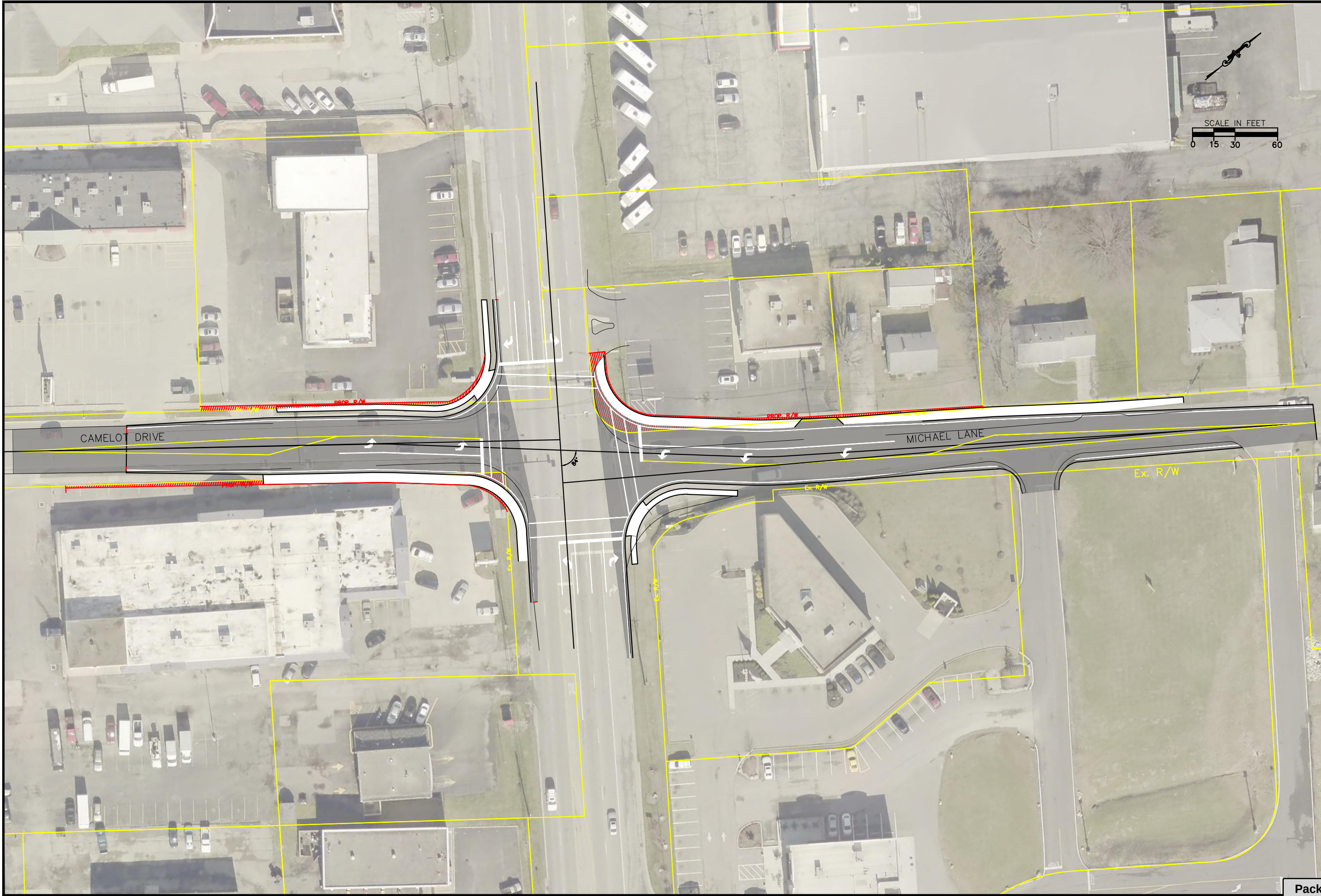
No

Emergency Provision Needed:

No

Attachments:

1. Route 4 and Michael-Camelot Concept



SR 4 AND CAMELOT DRIVE INTERSECTION IMPROVEMENTS
CITY OF FAIRFIELD

REVISIONS:

FILE NAME
REVISED ODI
DRAWN BY
MKG
CHECKED BY
CCE
PROJECT NAME
BUT FAI170
DATE
1/4/201
SHEET NUMBER

Attachment: NonContractualAppropriations.120720 (1687 : Non-Contractual Appropriations)



City Council Information Item
Regular Meeting - December 7, 2020

Submitted by: Lucinda Lewellyn,
 Submitting Department: Parks

Subject:

Village Green Park - System/Lighting Upgrades

Legislation Title:

Village Green Park - System/Lighting Upgrades

BACKGROUND/SYNOPSIS: The Fairfield Parks and Recreation Department scheduled upgrades to Village Green Park in the approved 2020 -2024 Capital Improvement Program under project OPR02. The PA system installed at the Village Green Amphitheatre is over 20 years old and in need of replacement. The proposed upgrades will bring the system up to date in terms of functionality and ease of use. The stage lighting fixtures at the Village Green Amphitheatre are also over 20 years old and need to be phased out. The lamps required for replacement are no longer manufactured and no retrofit exists. The proposed quote includes the replacement of 9 lighting fixtures. This project will cover stage 1 of the upgrade to the lighting for Village Green. Stage 2, is included in the 2021 CIP and will cover the remaining necessary fixtures along with cabling, control, and installation.

RECOMMENDATION: It is recommended that City Council authorize the City Manager to enter a contract with Vincent Lighting and ICB and appropriate project funding in the amount of \$19,995.00 for the System Equipment installation and Lighting upgrades for Village Green Park. Rules suspension is being requested in order to expedite the project. The System and Lighting upgrade project is programmed in the 2020 CIP as OPR02.

FINANCIAL IMPACT: An appropriation of \$19,995.00 will be needed to address the replacement and project completion.

EMERGENCY PROVISION EXPLANATION: In order to take advantage of the 30 day net term pricing, a suspension of rules and emergency provision is being requested.

RULE SUSPENSION REQUESTED: Yes

EMERGENCY PROVISION NEEDED: Yes

Attachments:

1. Vincent Lighting Quote - City of Fairfield
2. ICB Quote - City of Fairfield

QUOTE



Fairfield Village on the Green Lighting Upgrade

Ship Via	Terms	Date	Quote #
Best	NET 30	11/13/20	103020-01DR-R1

Quoted To: City of Fairfield
Jason Hauslein

Phone:

Quoted By: Debra Rettich
Outside Sales
drettich@vls.com
Phone: 859-488-4915

We are pleased to provide the following quotation:

Ln #	Qty	Part Number	Description
1.	9	COLORADO3SOLO	Chauvet Pro COLORado 3 Solo
2.	9	SAFETY	30in Safety Cable w/Spring Hook
3.	9	CTC50HC	Chauvet Pro Half Coupler
4.	9	WSCDMX5NB-15	TMB 15ft XLR5 Starcable Extension Cable
SUPPLIERS SERVICES			
5.	1		Freight Allowed

Order Sub Total: \$10,125.00

This price is firm for purchase within 30 days. All shipments are FOB factory, ground freight ADDITIONAL to the jobsite unless otherwise noted. Freight claims must be filed directly with the shipper. All items will be shipped COD unless credit approval has been granted in advance. Payment terms are net 30 days on approved accounts.

Unless evidence of tax exempt status is provided, Vincent Lighting Systems may charge sales tax for items shipped to destinations in the following states: Arkansas, Kentucky, Indiana, Michigan, Ohio & Pennsylvania. For orders shipped to other states, you are solely responsible to report & pay for all taxes, including use tax if applicable, to the Department of Revenue of your state. You can contact your respective taxing authority for detailed information.

We hope our proposal meets with your approval and we look forward to working with you on this project.

Regards,

Debra Rettich
Outside Sales

Attachment: NonContractualAppropriations.120720 (1687 : Non-Contractual Appropriations)



SALES / CONSULTING / ENGINEERING / DESIGN/INSTALLATION

1738 TENNESSEE AVE., CINCINNATI, OH 45229

513-242-7400 PH

www.icbav.com

10/1/2020

City Of Fairfield Outdoor Commons :

The following changes are based on a meeting held 10/1/2020 with Jason Hauslein. This upgrade will replace key components of the system that are the oldest and in need of replacement due to age. Stage speakers, rack equipment and rack will be replaced. A new wall mounted rack will be installed with locking door. The system will remain in an always on state so that small events with a wireless microphone and audio for movie night can happen without an operator present. A wall mounted box will be installed outside the sound room for connection to the system that will not need any adjustments to the sound. This box will also contain inputs to the sound system for larger events that require a mixer.

New Equipment :

- Middle Atlantic DWR-12-22 equipment rack
- Middle Atlantic PFD-12 perforated locking front door
- QSC CXD-4.3 amplifier with DSP
- (2) Community R.5 94TZ loudspeakers
- Denon DN-300Z, CD, Tuner, USB Player
- Shure SCM-268 4 input line mixer
- Whirlwind POD di Line input module
- Audio-Technica ATW-1032 Hand-held wireless microphone with remote antenna kit
- Outdoor enclosure with wall plate for audio inputs.
- Installation materials and wiring
- Lift Rental
- Installation labor

Total: \$ 9,870.00

Attachment: NonContractualAppropriations.120720 (1687 : Non-Contractual Appropriations)

ORDINANCE NO. _____

ORDINANCE TO AMEND ORDINANCE NO. 119-19 ENTITLED
“AN ORDINANCE TO MAKE ESTIMATED APPROPRIATIONS
FOR THE EXPENSES AND OTHER EXPENDITURES OF THE
CITY OF FAIRFIELD, OHIO, DURING A PERIOD BEGINNING
JANUARY 1, 2020, AND ENDING DECEMBER 31, 2020.”

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

Section 1. Ordinance No. 119-19, the 2020 Appropriation Ordinance, is hereby amended in the following respects:

From: Unappropriated Street Improvement Fund \$93,334

To: 40116025-251000 Land \$93,334
(Right-of-Way Acquisition for Route 4, Michael
Ln & Camelot Dr OPW27)

From: Unappropriated Downtown Development Fund \$19,995

To: 41116025-252000 Improvements Other Than \$19,995
Building
(Village Green Improvements OPR02)

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

Passed _____ Mayor's Approval

Posted _____

First Reading _____ Rules Suspended _____

Second Reading _____

Third Reading _____

ATTEST:

Clerk of Council

Attachment: Non Contractual 12-7-Ord (1687 : Non-Contractual Appropriations)

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

Clerk of Council

Active Clients\City of Fairfield\Ordinances\2020\Non Contractual 12-7-Ord

Attachment: Non Contractual 12-7-Ord (1687 : Non-Contractual Appropriations)