



**CITY OF GRANDVIEW HEIGHTS  
COUNCIL FINANCE COMMITTEE**

**MONDAY, NOVEMBER 20, 2023 @ 6:00 PM**

(Members: Chris Smith, Chair; Rebekah Weiss, Michelle Kozak)

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**NOTICE**

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The City of Grandview Heights Council Finance Committee will meet on Monday, November 20, 2023 at 6:00 p.m. at the Grandview Center, 1515 W. Goodale Blvd.

**The safety of our residents, employees and public officials remains our top priority. If you are experiencing flu-like symptoms, please stay home.**

Meetings are recorded and are posted on the City's website. Persons who wish to provide comments, but prefer not to attend in-person, can submit a Request for Public Comment form **NO LATER THAN NOON** the day of the Council meeting. Click on <https://bit.ly/2Zeia6e> to complete a request form. The completed form will be e-mailed to City Council and the Clerk of Council. The commenter's name, address and subject of comments will be read into the public record. A full copy of the form will be attached to the meeting minutes once adopted. Any comments received after **NOON** the day of the meeting will be held until the next public meeting.

**AGENDA**

Call to Order/Roll Call

Items of Business:

1. Ord. 2023-31: An Ordinance to make annual appropriations for current expenses and other expenditures of the City of Grandview Heights, State of Ohio, during the fiscal year ending December 31, 2024. 2<sup>nd</sup> Reading.
2. Ord. 2023-32: An Ordinance to make appropriations to various departments within the City of Grandview Heights municipal government to purchase equipment and make capital improvements in 2024. 2<sup>nd</sup> Reading.
3. Ord. 2023-33: An Ordinance amending Chapter 183 of the Codified Ordinances of the City of Grandview Heights. 2<sup>nd</sup> Reading.
4. Discussion of County Auditor Certificates of Estimated Property Tax Revenue.

Adjournment

*Chris Smith*  
Chris Smith, Chair  
Finance Committee  
Grandview Heights City Council

Legislative Memorandum  
As required by 111.01 Rule 2

DATE: November 13, 2023

1. **Title of the Legislation** Ord. 2023-31

An Ordinance to make annual appropriations for current expenses and other expenditures of the City of Grandview Heights, State of Ohio, during the fiscal year ending December 31, 2024.

2. **Name of the Sponsor:** Greta Kearns, Mayor

3. **Department charged with enforcement or administration:** Finance

4. **Reason for the Legislation:** Ohio Revised Code requires that an annual appropriation budget be approved by the City prior to the expenditure of funds.

5. **Is the Legislation to be passed as an emergency measure? No If yes, state the reason.**

6. **Is a suspension of the rules being sought? No If so why?**

7. **Does the legislation repeal or amend a current Ordinance or Resolution, and, if it does, reference or attach a copy of such Ordinance or Resolution. No.**

8. **Reviewed by the City Attorney, prior to being placed on the agenda, to assure the ordinance or resolution is in the proper form and to determine whether the legislation would repeal or amend a current Ordinance or Resolution and that is not in conflict with existing State or Federal law.**

**Date reviewed:** November 8, 2023

1<sup>st</sup> Reading: Nov. 13, 2023

Assigned to Finance

2<sup>nd</sup> Reading: \_\_\_\_\_

3<sup>rd</sup> Reading: \_\_\_\_\_

**RECORD OF ORDINANCES**  
**City of Grandview Heights**

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

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**An Ordinance to make annual appropriations for current expenses and other expenditures of the City of Grandview Heights, State of Ohio, during the fiscal year ending December 31, 2024.**

**WHEREAS**, Ohio Revised Code (ORC) §5705.38(A) requires the taxing authority of each subdivision to pass an annual appropriation measure on or about the first day of each year; and

**WHEREAS**, the Council for the City of Grandview Heights, State of Ohio wishes to provide funding for current expenses and other expenditures of the City during fiscal year 2024.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRANDVIEW HEIGHTS, STATE OF OHIO:**

**SECTION 1.** To provide for the current expenses and other expenditures of the City of Grandview Heights during the fiscal year ending December 31, 2024, the following annual sums are hereby set aside and appropriated, as follows, viz;

**Annual Appropriation Amounts**

**General Fund (101)**

**General Government/Administration**

Salary & Related	1,860,930
Contractual Services	609,516
General Operations	506,510
Other Non-Operating	48,000

**Total General Government/Administration** 3,024,956

**Finance/Legal/Court**

Salary & Related	951,676
Contractual Services	562,250
General Operations	80,185
Other Non-Operating	1,141,000

**Total Finance/Legal/Court** 2,734,861

**Fire/EMS**

Salary & Related	3,702,692
Contractual Services	47,100
General Operations	129,725

**Total Fire/EMS** 3,879,517

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

**Police**

Salary & Related	4,845,499
Contractual Services	99,905
General Operations	155,273

<b>Total Police</b>	<b>5,100,677</b>
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**Service**

Salary & Related	1,572,685
Contractual Services	299,520
General Operations	343,500

<b>Total Service</b>	<b>2,215,705</b>
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**Parks & Recreation**

Salary & Related	1,690,508
Contractual Services	339,400
General Operations	405,955

<b>Total Parks &amp; Recreation</b>	<b>2,435,863</b>
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<b>Grand Total General Fund</b>	<b>19,391,579</b>
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**Street Maintenance & Repair (250)**

**Streets & Highways**

Contractual Services	136,000
General Operations	39,000
Debt Service	119,006

<b>Total Street Maintenance &amp; Repair Fund</b>	<b>294,006</b>
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**State Highway (251)**

**Streets & Highways**

Debt Service	11,083
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<b>Total State Highway Fund</b>	<b>11,083</b>
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**Police Pension (253)**

**Police**

Salary & Related	122,819
Other Non-Operating	2,500

<b>Total Police Pension Fund</b>	<b>125,319</b>
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**Fire Pension (254)**

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

<b>Fire</b>		
Salary & Related	122,819	
Other Non-Operating	2,500	
<b>Total Fire Pension Fund</b>	<b>125,319</b>	

### Permissive Tax (255)

<b>Streets &amp; Highways</b>		
General Operations	60,000	
<b>Total Permissive Tax Fund</b>	<b>60,000</b>	

### Law Enforcement (257)

<b>Police</b>		
Capital Outlay	2,800	
<b>Total Law Enforcement Fund</b>	<b>2,800</b>	

### DUI Education (258)

<b>Police</b>		
Capital Outlay	1,450	
<b>Total DUI Education Fund</b>	<b>1,450</b>	

### Mayor's Court Computer (259)

<b>Finance/Legal/Court</b>		
Contractual Services	4,400	
<b>Total Mayor's Court Computer Fund</b>	<b>4,400</b>	

### Community Events (260)

<b>Parks &amp; Recreation</b>		
General Operations	70,975	
<b>Total Community Events Fund</b>	<b>70,975</b>	

### Tax Abatement (261)

<b>General Government/Administration</b>		
Other Non-Operating	1,500,000	
<b>Total Tax Abatement Fund</b>	<b>1,500,000</b>	

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

### Grandview Center Improvement (266)

**Parks & Recreation**

Capital Outlay	5,402
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<b>Total Grandview Center Improvement Fund</b>	<b>5,402</b>
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### Municipal Swimming Pool (270)

**General Government/Administration**

General Operations	8,076
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<b>Total Municipal Swimming Pool Fund</b>	<b>8,076</b>
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### Convention & Visitors Bureau (271)

**General Government/Administration**

General Operations	145,000
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<b>Total Convention &amp; Visitors Bureau Fund</b>	<b>145,000</b>
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### Yard TIF (276)

**General Government/Administration**

Debt Service	264,856
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Other Non-Operating	13,667,000
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<b>Total Yard TIF Fund</b>	<b>13,931,856</b>
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### Accrued Leave Reserve (277)

**General Government/Administration**

Salary & Related	150,000
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<b>Total Accrued Leave Reserve Fund</b>	<b>150,000</b>
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### JEDZ CEDA Fund (279)

**General Government/Administration**

Contractual Services	2,724,000
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<b>Total JEDZ CEDA Fund</b>	<b>2,724,000</b>
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### Grandview Yard Parking Fund (280)

**General Government/Administration**

Other Non-Operating	142,000
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<b>Total Grandview Yard Parking Fund</b>	<b>142,000</b>
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# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

### PACE Fund (284)

**General Government/Administration**

Other Non-Operating 635,175

**Total PACE Fund** **635,175**

### General Improvement (350)

**General Government/Administration**

Contractual Services 11,000

Other Non-Operating 322,642

Debt Service 60,000

**Total General Improvement Fund** **393,642**

### Sewer Improvement (351)

**Sewer & Water**

Contractual Services 55,000

General Operations 80,000

Capital Outlay 56,000

Debt Service 60,549

**Total Sewer Improvement Fund** **251,549**

### Parks & Recreation Improvement Fund (356)

**Parks & Recreation**

Other Non-Operating 476,825

Debt Service 2,500

**Total Parks & Recreation Improvement Fund** **479,325**

### Debt Service Fund (450)

**Debt Service**

Other Non-Operating 35,000

Debt Service 2,475,268

**Total Debt Service Fund** **2,510,268**

### C. Ray Buck Park (808)

**Parks & Recreation**

Capital Outlay 1,512

**Total C. Ray Buck Park Fund** **1,512**

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

### Pierce Field (810)

**Parks & Recreation**

General Operations	23,846
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<b>Total Pierce Field Fund</b>	<b>23,846</b>
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<b>Grand Total All Funds</b>	<b>42,988,482</b>
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### Transfers- Out

**General Fund**

**Administration**

To Street Maintenance Fund (250)	250,000
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To Accrued Leave Reserve (277)	71,000
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To Parks & Recreation Improvement (356)	118,000
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To Debt Service Fund (450)	789,000
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<b>Total Transfers from General Fund</b>	<b>1,228,000</b>
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**SECTION 2.** This Ordinance shall take effect and be in force from and after the earliest period allowed by law.



**RECORD OF ORDINANCES**  
**City of Grandview Heights**

Ordinance No. 2023-31

Passed \_\_\_\_\_, 2023

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\_\_\_\_\_  
Emily A. Keeler, President  
Grandview Heights City Council

Attest:

\_\_\_\_\_  
Leilani Napier  
Clerk of Council

**Approved as to form:**

**Approved**

**Not Approved**

\_\_\_\_\_  
Marie-Joëlle C. Khouzam  
City Attorney

\_\_\_\_\_  
Greta Kearns, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Legislative Memorandum  
As required by 111.01 Rule 2

DATE: November 13, 2023

1. **Title of the Legislation:** Ord. 2023-32

An Ordinance to make annual appropriations to various departments within the City of Grandview Heights municipal government to purchase equipment and make capital improvements in 2024.

2. **Name of the Sponsor:** Greta Kearns, Mayor

3. **Department charged with enforcement or administration:** Finance

4. **Reason for the Legislation:** To appropriate funds for the purchase of equipment and capital improvements during the year 2024.

5. **Is the Legislation to be passed as an emergency measure? No If yes, state the reason.**

6. **Is a suspension of the rules being sought? No If so why?**

7. **Does the legislation repeal or amend a current Ordinance or Resolution, and, if it does, reference or attach a copy of such Ordinance or Resolution. No**

8. **Reviewed by the City Attorney, prior to being placed on the agenda, to assure the ordinance or resolution is in the proper form and to determine whether the legislation would repeal or amend a current Ordinance or Resolution and that is not in conflict with existing State or Federal law.**

**Date reviewed:** October 25, 2023

1<sup>st</sup> Reading: Nov. 13, 2023 Assigned to Finance

2<sup>nd</sup> Reading \_\_\_\_\_

3<sup>rd</sup> Reading: \_\_\_\_\_

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

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**An Ordinance to make appropriations to various departments within the City of Grandview Heights municipal government to purchase equipment and make capital improvements in 2024.**

**WHEREAS**, it is in the best interest of the City of Grandview Heights to make appropriations to provide municipal services and maintain city-owned grounds and facilities during the fiscal year ending December 31, 2024; and

**WHEREAS**, the original 2024 budget (Ord. 2023-31) did not include capital expenditure appropriations within the various funds.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRANDVIEW HEIGHTS, OHIO THAT:**

The following sums be and are hereby set aside and appropriated for the purchase of necessary equipment and to make capital improvements as specified forthwith:

**SECTION 1.** To provide for the equipment and capital improvement expenditures of the City during the fiscal year ending December 31, 2024 the

following sums be appropriated, as follows, viz;

<b>Street Maintenance &amp; Repair Fund (250)</b>	
<b>Service / Infrastructure</b>	
Annual Street Program Engineering (Design for 2025)	\$167,500
Total Contractual Services	\$167,500
Annual Street Program	\$617,000
Total Capital Outlay	\$617,000
<b>Total Street Maintenance &amp; Repair Fund</b>	<b>\$784,500</b>
<b>Permissive Tax Fund (255)</b>	
First Ave. Infrastructure Project – Construction (City Share)	\$100,000
Total Capital Outlay	\$100,000
<b>Total Permissive Tax Fund</b>	<b>\$100,000</b>
<b>General Improvement Fund (350)</b>	
<b>Administration</b>	
Land & Building Projects	\$50,000
<b>Subtotal Administration Capital Outlay</b>	<b>\$50,000</b>

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

**Fire**

Radio Upgrades	\$45,200
Turnout Gear (4 sets)	18,400
<b>Subtotal Fire Capital Outlay</b>	<b>\$63,600</b>

**Police**

911 System Upgrade	\$77,929
Cruisers (2 vehicles)	140,000
Unmarked Vehicle	50,000
Intoxilyzer DMT	16,000
<b>Subtotal Police Capital Outlay</b>	<b>\$283,929</b>

**Service (Street & Sanitation)**

ATV Cart Lifter	\$18,000
<b>Subtotal Service Capital Outlay</b>	<b>\$18,000</b>

**Service (Infrastructure)**

Annual Street Program	\$754,000
Sidewalk Program	75,000
Water Valve Replacement Program	50,000
Street Light Conversion to LED	25,000
<b>Subtotal Service (Infrastructure) Capital Outlay</b>	<b>\$904,000</b>

**Parks & Recreation**

Buck Park Batting Cage (Donation)	\$100,000
Tree Program (Pruning, Removal & Replacement)	75,000
Sprinter Van (Recreation Programs)	65,000
Sidewalk / Hardscape / Resurfacing	35,000
Pierce Field Tennis Court Painting	45,000
McKinley Field Restoration	30,000
Buck Park Ball Field Repair	25,000
Park Furniture	20,000
Pool Deck Repair	15,000
Pool Painting (Leisure Pool)	15,000
<b>Subtotal Parks &amp; Recreation Capital Outlay</b>	<b>\$425,000</b>

**Total General Improvement Fund Capital Outlay**

**\$1,744,529**

**Service (Infrastructure)**

Engineering – Waterline Improvements	\$15,000
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**Service (Infrastructure) Contractual Services**

**\$15,000**

**RECORD OF ORDINANCES**  
**City of Grandview Heights**

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

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<b>Total General Improvement Fund</b>	<u>\$1,759,529</u>
<b>Sewer Improvement Fund (351)</b>	
Service (Infrastructure)	
Annual Sewer Improvements	<u>\$200,000</u>
<b>Total Service Infrastructure Capital Outlay</b>	<u>\$200,000</u>
<b>Total Sewer Improvement Fund</b>	<u>\$200,000</u>
<b>Grand Total All Funds</b>	<u>\$2,844,029</u>

**SECTION 2.** This Ordinance shall take effect and be in force from and after the earliest period allowed by law.

\_\_\_\_\_  
Emily A. Keeler, President  
Grandview Heights City Council

Attest:

\_\_\_\_\_  
Leilani Napier  
Clerk of Council

**Approved as to form:**

**Approved**

**Not Approved**

\_\_\_\_\_  
Marie-Joëlle C. Khouzam  
City Attorney

\_\_\_\_\_  
Greta Kearns, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

**An Ordinance to make appropriations to various departments within the City of Grandview Heights municipal government to purchase equipment and make capital improvements in 2024.**

**WHEREAS**, it is in the best interest of the City of Grandview Heights to make appropriations to provide municipal services and maintain city-owned grounds and facilities during the fiscal year ending December 31, 2024; and

**WHEREAS**, the original 2024 budget (Ord. 2023-31) did not include capital expenditure appropriations within the various funds.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRANDVIEW HEIGHTS, OHIO THAT:**

The following sums be and are hereby set aside and appropriated for the purchase of necessary equipment and to make capital improvements as specified forthwith:

**SECTION 1.** To provide for the equipment and capital improvement expenditures of the City during the fiscal year ending December 31, 2024 the

following sums be appropriated, as follows, viz;

<b>Street Maintenance &amp; Repair Fund (250)</b>	
<b>Service / Infrastructure</b>	
Annual Street Program Engineering (Design for 2025)	\$167,500
Total Contractual Services	\$167,500
Annual Street Program	\$617,000
Total Capital Outlay	\$617,000
<b>Total Street Maintenance &amp; Repair Fund</b>	<b>\$784,500</b>
<b>Permissive Tax Fund (255)</b>	
First Ave. Infrastructure Project – Construction (City Share)	\$100,000
Total Capital Outlay	\$100,000
<b>Total Permissive Tax Fund</b>	<b>\$100,000</b>
<b>General Improvement Fund (350)</b>	
<b>Administration</b>	
Land & Building Projects	\$50,000
<b>Subtotal Administration Capital Outlay</b>	<b>\$50,000</b>

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

**Fire**

Radio Upgrades	\$45,200
Turnout Gear (4 sets)	18,400
<b>Subtotal Fire Capital Outlay</b>	<b>\$63,600</b>

**Police**

911 System Upgrade	\$77,929
Cruisers (2 vehicles)	140,000
Unmarked Vehicle	50,000
Intoxilyzer DMT	16,000
<b>Subtotal Police Capital Outlay</b>	<b>\$283,929</b>

**Service (Street & Sanitation)**

ATV Cart Lifter	\$18,000
<b>Subtotal Service Capital Outlay</b>	<b>\$18,000</b>

**Service (Infrastructure)**

Annual Street Program	\$754,000
Sidewalk Program	75,000
Water Valve Replacement Program	50,000
Street Light Conversion to LED	25,000
<b>Subtotal Service (Infrastructure) Capital Outlay</b>	<b>\$904,000</b>

**Parks & Recreation**

Buck Park Batting Cage (Donation)	\$100,000
Tree Program (Pruning, Removal & Replacement)	75,000
Sprinter Van (Recreation Programs)	65,000
Sidewalk / Hardscape / Resurfacing	35,000
Pierce Field Tennis Court Painting	45,000
<b>Parks Facility Fixtures &amp; Equipment</b>	<b>17,000</b>
McKinley Field Restoration	30,000
Buck Park Ball Field Repair	25,000
Park Furniture	20,000
Pool Deck Repair	15,000
Pool Painting (Leisure Pool)	15,000
<b>Subtotal Parks &amp; Recreation Capital Outlay</b>	<b>\$442,000</b>

**Total General Improvement Fund Capital Outlay**

**\$1,761,529**

Service (Infrastructure)

Engineering – Waterline Improvements	\$15,000
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**Service (Infrastructure) Contractual Services**

**\$15,000**

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-32

Passed \_\_\_\_\_, 2023

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<b>Total General Improvement Fund</b>	<b>\$1,776,529</b>
<b>Sewer Improvement Fund (351)</b>	
Service (Infrastructure)	
Annual Sewer Improvements	\$200,000
<b>Total Service Infrastructure Capital Outlay</b>	<b>\$200,000</b>
<b>Total Sewer Improvement Fund</b>	<b>\$200,000</b>
<b>Grand Total All Funds</b>	<b>\$2,861,029</b>

**SECTION 2.** This Ordinance shall take effect and be in force from and after the earliest period allowed by law.

\_\_\_\_\_  
Emily A. Keeler, President  
Grandview Heights City Council

Attest:

\_\_\_\_\_  
Leilani Napier  
Clerk of Council

**Approved as to form:**

**Approved**

**Not Approved**

\_\_\_\_\_  
Marie-Joëlle C. Khouzam  
City Attorney

\_\_\_\_\_  
Greta Kearns, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_



Legislative Memorandum  
As required by 111.01 Rule 2

DATE: November 13, 2023

1. **Title of the Legislation:** Ord. 2023-33

An Ordinance amending Chapter 183 of the Codified Ordinances of the City of Grandview Heights.

2. **Name of the Sponsor:** Chris Smith, Finance Chair

3. **Department charged with enforcement or administration:** Finance

4. **Reason for the Legislation:** To enact several revisions to the municipal income tax code that must be adopted by all Ohio municipalities with an income tax by the end of 2023.

5. **Is the Legislation to be passed as an emergency measure?** No **If yes, state the reason.**

6. **Is a suspension of the rules being sought?** No **If so why?**

7. **Does the legislation repeal or amend a current Ordinance or Resolution, and, if it does, reference or attach a copy of such Ordinance or Resolution.** Ord. 2018-06 and Ord. 2018-20

8. **Reviewed by the City Attorney, prior to being placed on the agenda, to assure the ordinance or resolution is in the proper form and to determine whether the legislation would repeal or amend a current Ordinance or Resolution and that is not in conflict with existing State or Federal law.**

**Date reviewed:** October 25, 2023

1<sup>st</sup> Reading: Nov. 13, 2023 Assigned to Finance

2<sup>nd</sup> Reading: \_\_\_\_\_

3<sup>rd</sup> Reading: \_\_\_\_\_

# RECORD OF ORDINANCES

## City of Grandview Heights

Ordinance No. 2023-33

Passed \_\_\_\_\_, 2023

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**An Ordinance amending Chapter 183 of the Codified Ordinances of the  
City of Grandview Heights.**

**WHEREAS**, the Ohio General Assembly enacted House Bill 33, signed into law by Governor DeWine on July 3, 2023; and

**WHEREAS**, H.B. 33 contains several revisions to the municipal income tax code that must be adopted by all Ohio municipalities with an income tax by the end of 2023; and

**WHEREAS**, the Council of the City of Grandview Heights intends to enact said revisions as more specifically noted in the attached Exhibit A.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRANDVIEW HEIGHTS, STATE OF OHIO, COUNTY OF FRANKLIN THAT:**

**SECTION 1.** Sections 183.03, 183.05, 183.18, and 183.30 within Chapter 183 of the Codified Ordinances of the City, entitled “Earned Income Tax Regulations Effective Beginning January 1, 2016”, are hereby amended, and Sections 183.31-183.45 within Chapter 183, entitled “Earned Income Tax Regulations Effective Beginning January 1, 2016”, are hereby deleted as denoted in Exhibit A, with removed text marked by strikethrough and new text marked in bold and highlighted in yellow. Exhibit A is attached hereto and incorporated herein.

**SECTION 2.** Council finds and determines that all formal actions of Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of Council, and that all deliberations of Council and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with applicable law.

**SECTION 3.** This ordinance shall take effect and be in full force at the earliest date permitted by law.

\_\_\_\_\_  
Emily A. Keeler, President  
Grandview Heights City Council

Attest:

\_\_\_\_\_  
Leilani Napier  
Clerk of Council

**RECORD OF ORDINANCES**  
**City of Grandview Heights**

Ordinance No. 2023-33

Passed \_\_\_\_\_, 2023

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**Approved as to form:**

**Approved**

**Not Approved**

\_\_\_\_\_  
Marie-Joëlle C. Khouzam  
City Attorney

\_\_\_\_\_  
Greta Kearns, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A to Ordinance 2023-33**  
(Sections subject to amendments)

- 183.03 Imposition of Tax.
- 183.05 Annual return; filing.
- 183.18 Interest and penalties.
- 183.30 Filing net profit taxes; election to be subject to provisions of chapter.
- 183.31 Definitions.
- 183.32 Applicability; taxable situs; apportionment.
- 183.33 Information provided to tax administrator; confidentiality.
- 183.34 Filing of annual return; remittance; disposition of funds.
- 183.35 Electronic filing.
- 183.36 Consolidated returns.
- 183.37 Failure to pay tax.
- 183.38 Declaration of estimated taxes.
- 183.39 Additional penalties.
- 183.40 Assessments against taxpayer.
- 183.41 Refund applications.
- 183.42 Amended returns.
- 183.43 Examination of records and other documents and persons.
- 183.44 Credits.
- 183.45 Reckless violations; penalties.

**183.03 IMPOSITION OF TAX.**

The income tax levied by the City at a rate of two and one-half percent (2.5%) is levied on the Municipal Taxable Income of every person residing in and/or earning and/or receiving income in the City,

Individuals.

(A) For residents of the City, the income tax levied herein shall be on 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, as further described in the definition of "income".

(B) For 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 municipal corporation, 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 residents and nonresidents, income can be reduced to "Municipal Taxable Income" as defined herein. Exemptions which may apply are specified in Section 183.02 (C)(12).

Refundable credit for Nonqualified Deferred Compensation Plan.

(D)(1) As used in this division:

(a) "Nonqualified deferred compensation plan" means a compensation plan described in Section 3121(v)(2)(C) of the IRC.

(b) "Qualifying loss" means the amount of compensation attributable to a taxpayer's nonqualified deferred compensation plan, less the receipt of money and property attributable to distributions from the nonqualified deferred compensation plan. Full loss is sustained if no distribution of money and property is made by the 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.

(c)(i) "Qualifying tax rate" means the applicable tax rate for the taxable year for the which the taxpayer paid income tax to the City with respect to any portion of the total amount of compensation the payment of which is deferred pursuant to a nonqualified deferred compensation plan.

(ii) 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 City each year with respect to the nonqualified deferred compensation plan.

(d) "Refundable credit" means the amount of the City income tax that was paid on the non-distributed portion, if any, of a nonqualified deferred compensation plan.

(2) If, in addition to the City, a taxpayer has paid tax to other municipal corporations 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.

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

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

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

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

Domicile.

(E)(1) (a) An individual is presumed to be domiciled in the City for all or part of a taxable year if the individual was domiciled in the City on the last day of the immediately

preceding taxable year or if the Tax Administrator reasonably concludes that the individual is domiciled in the City for all or part of the taxable year.

(b) An individual may rebut the presumption of domicile described in division (E)(1)(a) of this section if the individual establishes by a preponderance of the evidence that he/she was not domiciled in the City for all or part of the taxable year.

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

- (a) The individual's domicile in other taxable years;
- (b) The location at which the individual is registered to vote;
- (c) The address on the individual's driver's license;
- (d) 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;
- (e) The location and value of abodes owned or leased by the individual;
- (f) Declarations, written or oral, made by the individual regarding the individual's residency;
- (g) The primary location at which the individual is employed.
- (h) The location of educational institutions attended by the individual's dependents as defined in Section 152 of the IRC, 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 where the educational institution is located;
- (i) The number of contact periods the individual has with the City. For the purposes of this division, an individual has one "contact period" with the City if the individual is away overnight from the individual's abode located outside of the City and while away overnight from that abode spends at least some portion, however minimal, of each of two consecutive days in the City.

(3) All additional applicable factors shall be provided in the Rules and Regulations adopted pursuant to Section 183.25 or otherwise promulgated by the Tax Administrator.

Businesses.

(F) This division applies to any taxpayer engaged in a business or profession in the City, unless the taxpayer is an individual who resides in the City or the taxpayer is an electric company, combined company, or telephone company that is subject to and required to file reports under ORC Chapter 5745.

(1) Except as otherwise provided in divisions (F) (2) **and (G)** of this section, net profit from a business or profession conducted both within and without the boundaries of the

City shall be considered as having a taxable situs in the City for purposes of municipal income taxation in the same proportion as the average ratio of the following:

(a) 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 City 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 (8);

(b) Wages, salaries, and other compensation paid during the taxable period to individuals employed in the business or profession for services performed in the City 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 183.04 (C);

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

(2)(a) If the apportionment factors described in division (F)(1) of this section do not fairly represent the extent of a taxpayer's business activity in the City, the taxpayer may request, or the Tax Administrator of the City 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:

- (i) Separate accounting;
- (ii) The exclusion of one or more of the factors;
- (iii) The inclusion of one or more additional factors that would provide for a more fair apportionment of the income of the taxpayer to the municipal corporation;
- (iv) A modification of one or more of the factors.

(b) 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 Section 183.12(A).

(c) The Tax Administrator may require a taxpayer to use an alternative apportionment method as described in division (F)(2)(a) of this section, but only by issuing an assessment to the taxpayer within the period prescribed by Section 183.12 (A).

(d) Nothing in division (F)(2) of this section nullifies or otherwise affects any alternative apportionment arrangement approved by a the Tax Administrator or otherwise agreed upon by both the Tax Administrator and taxpayer before January 1, 2016.

(3) As used in division (F)(1)(b) 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:

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

(i) The employer;

(ii) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;

(iii) A vendor, customer, client, or patient of a person described in (F)(3)(a)(ii) of this section, or a related member of such a vendor, customer, client, or patient.

(b) 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;

(c) 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 (F) (3)(a) or (b) of this section solely in order to avoid or reduce the employer's municipal income tax liability. If the 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.

(4) For the purposes of division (F)(1)(c) of this section, **and except as provided in division (G) of this section**, receipts from sales and rentals made and services performed shall be situated to a municipal corporation as follows:

(a) 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 the City if, regardless of where title passes, the property meets any of the following criteria:

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

(ii) The property is delivered within the City from a location outside the City, provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within the City and the sales result from such solicitation or promotion.



(iii) The property is shipped from a place within the City to purchasers outside the City, 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.

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

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

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

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

(5) 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 the City's tax only if the property generating the net profit is located in the City or if the individual taxpayer that receives the net profit is a resident of the City. The City 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.

(6)(a) 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 the City, if applicable, based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in the City to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.

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

(7) When calculating the ratios described in division (F)(1) of this section for the purposes of that division or division (F)(2) 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.

(8) Left intentionally blank.

(9)(a) Upon a finding by City Council pursuant to an economic development incentive program, the City may provide an inducement to a business entity in the form of a credit

against the tax on net profits actually collected or which is otherwise due pursuant to this section.

(b) All business entities shall be eligible, whether currently located in the City, whether incorporated, or otherwise.

(c) The Director of Administration of the City shall from time to time prepare and accept applications from business entities for consideration of a credit. The application shall describe among other information:

(1) The anticipated number of new employees and total employees to be located within the City;

(2) The new and total employment income generated;

(3) The tax revenue anticipated in connection with employees; and

(4) Any other information the Director of Administration deems necessary to perform under this program.

(d) Upon City Council's approval, the City shall enter into a development and incentive agreement signed by the City and the business entity to receive a credit equal to a portion of the actual proceeds of the tax paid pursuant to this section from employees of the business entity.

(e) The tax credit may be applied against amounts that the business entity is otherwise required to remit to the City based upon its net profits, or refunded after collection by the City if, as a result of the credit, the business entity has remitted to the City an amount in excess of the tax otherwise due after application of the credit, as expressly stipulated in the agreement. In no event shall the credit reduce the taxpayer's liability for the tax imposed by this chapter on its net profits below zero.

(f) Every agreement shall state the maximum percentage of credit as against actual receipts to the City, which shall not be exceeded in any time period, notwithstanding any statement in the application, the agreement, or in any other context. The agreement shall be void and unenforceable to the extent that the tax actually collected by or remitted to the City under this section is insufficient to cover the tax credit or any portion thereof.

(g) No tax credit shall exceed a term of fifteen (15) years.

(h) No tax credit shall be granted to a business entity without an express provision that the business entity will continue with the project in the City for a period of time equal to the term of the credit plus five (5) years.

(i) Each agreement shall contain conditions that the business entity must fulfill to receive the credit, or otherwise state that the credit is unconditional.

(j) Each agreement shall contain provisions for reduction of the credit or refund of either a portion or the whole of the credit, upon the business entity's failure to meet the conditions required in the Agreement. (Ord. 2018-06. Passed 2-20-18.)

**(G)(1) As used in this division:**

**(a) "Qualifying remote employee or owner" means an individual who is an employee of a taxpayer or who is a partner or member holding an ownership interest in a taxpayer that is treated as a partnership for federal income tax purposes, provided that the individual meets both of the following criteria:**

**(i) The taxpayer has assigned the individual to a qualifying reporting location.**

**(ii) The individual is permitted or required to perform services for the taxpayer at a qualifying remote work location.**

**(b) "Qualifying remote work location" means a permanent or temporary location at which an employee or owner chooses or is required to perform services for the taxpayer, other than a reporting location of the taxpayer or any other location owned or controlled by a customer or client of the taxpayer. "Qualifying remote work location" may include the residence of an employee or owner and may be located outside of a municipal corporation that imposes an income tax in accordance with this chapter. An employee or owner may have more than one qualifying remote work location during a taxable year.**

**(c) "Reporting location" means either of the following:**

**(i) A permanent or temporary place of doing business, such as an office, warehouse, storefront, construction site, or similar location, that is owned or controlled directly or indirectly by the taxpayer;**

**(ii) Any location in this state owned or controlled by a customer or client of the taxpayer, provided that the taxpayer is required to withhold taxes under Section 4 of this Chapter, on qualifying wages paid to an employee for the performance of personal services at that location.**

**(d) "Qualifying reporting location" means one of the following:**

**(i) The reporting location in this state at which an employee or owner performs services for the taxpayer on a regular or periodic basis during the taxable year;**

**(ii) If no reporting location exists in this state for an employee or owner under division (G)(1)(d)(i) of this section, the reporting location in this state at which the employee's or owner's supervisor regularly or periodically reports during the taxable year;**

**(iii) If no reporting location exists in this state for an employee or owner under division (G)(1)(d)(i) or (ii) of this section, the location that the taxpayer otherwise assigns as the employee's or owner's qualifying reporting location, provided the assignment is made in good faith and is recorded and maintained in the taxpayer's business records. A taxpayer may change the qualifying reporting location designated for an employee or owner under this division at any time.**

**(2) For tax years ending on or after December 31, 2023, a taxpayer may elect to apply the provisions of this division to the apportionment of its net profit from a business or profession. For taxpayers that make this election, the provisions of division (F) of this section apply to such apportionment except as otherwise provided in this division.**

**A taxpayer shall make the election allowed under this division in writing on or with the taxpayer's net profit return or, if applicable, a timely filed amended net profit return or a timely filed appeal of an assessment. The election applies to the taxable year for which that return or appeal is filed and for all subsequent taxable years, until the taxpayer revokes the election.**

**The taxpayer shall make the initial election with the tax administrator of each municipal corporation with which, after applying the apportionment provisions authorized in this division, the taxpayer is required to file a net profit tax return for that taxable year. A taxpayer shall not be required to notify the tax administrator of a municipal corporation in which a qualifying remote employee's or owner's qualifying remote work location is located, unless the taxpayer is otherwise required to file a net profit return with that municipal corporation due to business operations that are unrelated to the employee's or owner's activity at the qualifying remote work location.**

**After the taxpayer makes the initial election, the election applies to every municipal corporation in which the taxpayer conducts business. The taxpayer shall not be required to file a net profit return with a municipal corporation solely because a qualifying remote employee's or owner's qualifying remote work location is located in such municipal corporation.**

**Nothing in this division prohibits a taxpayer from making a new election under this division after properly revoking a prior election.**

**(3) For the purpose of calculating the ratios described in division (F)(1) of this section, all of the following apply to a taxpayer that has made the election described in division (G)(2):**

**(a) For the purpose of division (F)(1)(a) of this section, the average original cost of any tangible personal property used by a qualifying remote employee or owner at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.**

**(b) For the purpose of division (F)(1)(b) of this section, any wages, salaries, and other compensation paid during the taxable period to a qualifying remote employee or owner for services performed at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.**

**(c) For the purpose of division (F)(1)(c) of this section, and notwithstanding division (F)(4) of this section, any gross receipts of the business or profession from services performed during the taxable period by a qualifying remote employee or owner for services performed at that individual's qualifying remote work location shall be situated to that individual's qualifying reporting location.**

**(4) Nothing in this division prevents a taxpayer from requesting, or a tax administrator from requiring, that the taxpayer use, with respect to all or a portion of the income of the taxpayer, an alternative apportionment method as described in division (F)(2) of this section. However, a tax administrator shall not require an alternative apportionment method in such a manner that it would require a taxpayer to file a net profit return with a municipal corporation solely because a qualifying remote employee's or owner's qualifying remote work location is located in that municipal corporation.**

**(5) Except as otherwise provided in this division, nothing in this division is intended to affect the withholding of taxes on qualifying wages pursuant to Section 4 of this Chapter.**

#### **183.05 ANNUAL RETURN; FILING.**

~~—(A) An annual the City income tax return shall be completed and filed by every individual taxpayer eighteen (18) years of age or older and any taxpayer that is not an individual for each taxable year for which the taxpayer is subject to the tax, whether or not a tax is due thereon.~~

**(A) An annual City income tax return shall be completed and filed by every taxpayer for each taxable year for which the taxpayer is subject to the tax, whether or not a tax is due thereon.**

(1) The Tax Administrator may accept on behalf of all nonresident individual taxpayers a return filed by an employer, agent of an employer, or other payer under Section 183.04 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 the City.

(2) Retirees having no Municipal Taxable Income for the City income tax purposes may file with the Tax Administrator a written exemption from these filing requirements on a form prescribed by the Tax Administrator. The written exemption shall indicate the date of retirement and the entity from which retired. The exemption shall be in effect until such time as the retiree receives Municipal Taxable Income taxable to the City, at which time the retiree shall be required to comply with all applicable provisions of this Chapter.

(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 City, 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.

(D) Returns or notices required of an estate or a trust shall be completed and filed by the fiduciary of the estate or trust.

(E) The City shall permit spouses to file a joint return.

(F)(1) Each return required to be filed under this division 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. The return 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) The Tax Administrator shall require a taxpayer who is an individual to include, with each annual return, and amended return, copies of 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 by a qualified municipal corporation, Ohio Form IT 1040; and, with respect to an amended tax return, any other documentation necessary to support 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) The Tax Administrator may require a taxpayer that is not an individual 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.

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.

(4) After a taxpayer files a tax return, the Tax Administrator may request, and the taxpayer shall provide, any information, statements, or documents required by the City 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.

(G)(1) (a) Except as otherwise provided in this chapter/ordinance, 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 ORC Section 5747.08(G). 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 City. No remittance is required if the net amount due is ten dollars (\$10.00) or less.

(b) Except as otherwise provided in this chapter, each annual net profit 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 (15th) of the fourth month following the end of the taxpayer's taxable year. 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 City. No remittance is required if the net amount due is ten dollars or less.

(2) 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 the City's income tax return. The extended due date of the City's income tax return shall be the 15th day of the tenth month after the last day of the taxable year to which the return relates. **For tax years ending on or after January 1, 2023, the extended due date of City's income tax return for a taxpayer that is not an individual shall be the 15th day of the eleventh month after the last day of the taxable year to which the return relates.** An extension of time to file under this division is not an extension of the time to pay any tax due unless the Tax Administrator grants an extension of that date.

(a) A copy of the federal extension request shall be included with the filing of the City's income tax return.

(b) A taxpayer that has not requested or received a six-month extension for filing the taxpayer's federal income tax return may submit a written request that the Tax Administrator grant the taxpayer a six-month extension of the date for filing the taxpayer's the City income tax return. If the request is received by the Tax Administrator on or before the date the City income tax return is due, the Tax Administrator shall grant the taxpayer's requested extension.

(3) If the tax commissioner extends for all taxpayers the date for filing state income tax returns under ORC Section 5747.08(G), a taxpayer shall automatically receive an extension for the filing of a the City's income tax return. The extended due date of the City's income tax return shall be the same as the extended due date of the state income tax return.

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

**(5) If a taxpayer receives an extension for the filing of a municipal income tax return under division (G)(2), (3), or (4) of this section, the tax administrator shall not make any inquiry or send any notice to the taxpayer with regard to the return on or before the date the taxpayer files the return or on or before the extended due date to file the return, whichever occurs first.**

**If a tax administrator violates division (G)(5) of this section, the municipal corporation shall reimburse the taxpayer for any reasonable costs incurred to respond to such inquiry or notice, up to \$150.**

**Division (G)(5) of this section does not apply to an extension received under division (G)(2) of this section if the tax administrator has actual knowledge that the taxpayer failed to file for a federal extension as required to receive the extension under division (G)(2) of this section or failed to file for an extension under division (G)(2)(b) of this section.**

—(5) (6) To the extent that any provision in this division (G) of this section conflicts with any provision in divisions (N), (O), (P), or (Q) of this section, the provisions in divisions (N), (O), (P), or (Q) prevail.

(H) (1) For taxable years beginning after 2015, the City shall not require a taxpayer to remit tax with respect to net profits if the net amount due is ten dollars (\$10.00) or less.

(2) Any taxpayer not required to remit tax to the City for a taxable year pursuant to division (H)(1) of this section shall file with the City an annual net profit return under division (F)(3) of this section, unless the provisions of division (H)(3) apply.

(3)(a) A person may notify the Tax Administrator that the person does not expect to be a taxpayer subject to the {Municipality/City's/Village} income tax ordinance for a taxable year if both the following apply:

(i) The person was required to file a tax return with the {Municipality/City/Village} for the immediately preceding taxable year because the person performed services at a worksite location (as defined in Section 4(C)(1)(g)) within {Municipality/the City/Village}.

(ii) The person no longer provides services in {Municipality/the City/Village} and does not expect to be subject to [Municipality/City/Village] income tax for the taxable year.

(b) 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 {Municipality/City/Village}. The affidavit shall also include the following statement: "The affiant has no plans to perform any services within the {Municipality/City/Village}, make any sales in the {Municipality/City/Village}, or otherwise become subject to the tax levied by the {Municipality/City/Village} during the taxable year. If the affiant does become subject to the tax levied by the {Municipality/City/Village} for the taxable year, the affiant agrees to be considered a taxpayer and to properly comply as a taxpayer with the {Municipality/City's/Village} income tax ordinance and rules and regulations." The person shall sign the affidavit under penalty of perjury.

(c) If a person submits an affidavit described in division (H)(3)(b) the Tax Administrator shall not require the person to file and 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.

(d) Nothing in division (H)(3) of this section prohibits the Tax Administrator from performing an audit of the person.

(I) If a payment under this chapter is 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) Taxes withheld for the City by an employer, the agent of an employer, or other payer as described in Section 183.04 shall be allowed to the taxpayer as credits against payment of the tax imposed on the taxpayer by the City, unless the amounts withheld were not



remitted to the City 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 City to be filed in accordance with this division 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.

(L) The Tax Administrator shall accept for filing a generic form of any income tax return, report, or document required by the City, provided that the generic form, once completed and filed, contains all of the information required by ordinance, resolution, or rules and regulations adopted by the City or the 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 City's ordinance, resolution, or rules and regulations governing the filing of returns, reports, or documents.

(M) Filing via Ohio Business Gateway.

(M) (1) Any taxpayer subject to municipal income taxation with respect to the taxpayer's net profit from a business or profession may file the City's income tax return, 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.

(2) 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.

(3) Nothing in this section affects the due dates for filing employer withholding tax returns.

(N) Extension for service in or for the armed forces.

(N) 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 City for both an extension of time for filing of the return and an extension of time for payment of taxes required by the City during the period of the member's or civilian's duty service, and for 180 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.

(O)(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 181st day after the applicant's active duty or service terminates. The Tax Administrator may prescribe such contract

terms as the Tax Administrator considers appropriate. However, taxes pursuant to a contract entered into under this division are not delinquent, and the Tax Administrator shall not require any payments of penalties or interest in connection with those taxes for the extension period.

(2) If the Tax Administrator determines 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 municipal corporation before the 181st day after the applicant's active duty or service terminates.

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

(P)(1) Nothing in this division denies to any person described in this division the application of divisions (N) and (O) of this section.

(2)(a) A qualifying taxpayer who is eligible for an extension under the IRC 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 a municipal corporation in accordance with this chapter/ordinance. The length of any extension granted under division (P)(2)(a) of this section shall be equal to the length of the corresponding extension that the taxpayer receives under the IRC. As used in this division, "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 whose payment is extended in accordance with division (P)(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.

(Q) For each taxable year to which division (N), (O), or (P) of this section applies to a taxpayer, the provisions of divisions (O)(2) and (3) 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.

(R) Consolidated municipal income tax return.

As used in this section:

(1) "Affiliated group of corporations" means an affiliated group as defined in Section 1504 of the IRC, 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 IRC.

(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 (R)(1) of this section.

(4) "Incumbent local exchange carrier" has the same meaning as in ORC Section 4927.01.

(5) "Local exchange telephone service" has the same meaning as in ORC Section 5727.01.

(S)(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 City's 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. 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. 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 (S)(2) of this section or 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 (S)(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 (S)(1) or (2) of this section is binding on all members of the affiliated group of corporations subject to a municipal income tax.

(T) 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 City 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 City. A taxpayer that is required to file a consolidated City income tax return for a taxable year shall file a consolidated City 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.

(U) A taxpayer shall prepare a consolidated City 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.

(V)(1) Except as otherwise provided in divisions (V)(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 183.02 , 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 City income tax return shall make any adjustment otherwise required under Section 183.02 (C)(1) 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 (80%) 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 City 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 divisions (R) through (Y) of Section 183.05 , exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to the City. 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 divisions (R) through (Y) of Section 183.05 , include the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to the City. 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 divisions (R) through (Y) of Section 183.05, exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to the City;

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

(W) Corporations filing a consolidated City income tax return shall make the computations required under divisions (R) through (Y) of Section 183.05 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.

(X) Each corporation filing a consolidated City income tax return is jointly and severally liable for any tax, interest, penalties, fines, charges, or other amounts imposed by the City 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.

(Y) Corporations and their affiliates that made an election or entered into an agreement with the City before January 1, 2016, to file a consolidated or combined tax return with the City 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.

(Ord. 2015-36. Passed 11-2-15.)

### **183.18 INTEREST AND PENALTIES.**

(A) As used in this section:

(1) "Applicable law" means this chapter/ordinance, the resolutions, ordinances, codes, directives, instructions, and rules adopted by the City provided they impose or directly or indirectly address the levy, payment, remittance, or filing requirements of the City.

(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 IRC, for July of the current year.

(3) "Income tax," "estimated income tax," and "withholding tax" means any income tax, estimated income tax, and withholding tax imposed by the City 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 (5%). 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 the City 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 applies 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 City 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 and regulations, as adopted before January 1, 2016, of the City to which the return is to be filed or the payment is to be made.

(C) Should any taxpayer, employer, agent of the employer, or other payer for any reason fails, in whole or in part, to make timely and full payment or remittance of income tax, estimated income tax, or withholding tax or to file timely with the City any return required to be filed, the following penalties and interest shall apply:

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

(2)(a) With respect to unpaid income tax and unpaid estimated income tax, the City may impose a penalty equal to fifteen percent (15%) of the amount not timely paid.

(b) With respect to any unpaid withholding tax, the City may impose a penalty not exceeding fifty percent (50%) of the amount not timely paid.

(3) **(a) For tax years ending on or before December 31, 2022, w**With respect to returns other than estimated income tax returns, the City may impose a penalty of twenty-five dollars (\$25) 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 unfiled regardless of the liability shown thereon. The penalty shall not exceed one hundred fifty dollars (\$150) for each failure.

**(b) For tax years ending on or after January 1, 2023, with respect to returns other than estimated income tax returns, the City may impose a penalty not exceeding \$25 for each failure to timely file each return, regardless of the liability shown thereon, except that the City shall abate or refund the penalty assessed on a taxpayer's first failure to timely file a return after the taxpayer files that return.**

(D) Nothing in this section requires the City to refund or credit any penalty, amount of interest, charges, or additional fees that the City has properly imposed or collected before January 1, 2016.

(E) Nothing in this section limits the authority of the City to abate or partially abate penalties or interest imposed under this section when the Tax Administrator determines, in the Tax Administrator's sole discretion, that such abatement is appropriate.

(F) By the 31st day of October of each year the City shall publish the rate described in division (A) of this section applicable to the next succeeding calendar year.

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

(Ord. 2018-06. Passed 2-20-18.)

**183.30 FILING NET PROFIT TAXES; ELECTION TO BE SUBJECT TO PROVISIONS OF CHAPTER. ELECTION TO BE SUBJECT TO R.C. 718.80 TO 718.95**

(A) The City hereby adopts and incorporates herein by reference Sections 718.80 to 718.95 of the ORC for tax years beginning on or after January 1, 2018.

(B) A taxpayer, as defined in division (C) of this section, may elect to be subject to Sections 718.80 to 718.95 of the ORC in lieu of the provisions of this Chapter.

(C) "Taxpayer" has the same meaning as in section 718.01 of the ORC, except that "taxpayer" does not include natural persons or entities subject to the tax imposed under Chapter 5745 of the ORC. "Taxpayer" may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer.

~~(A) A taxpayer may elect to be subject to sections 183.30 to 183.45 of the Codified Ordinances in lieu of the provisions set forth in the remainder of this chapter. Notwithstanding any other provision of this chapter, upon the taxpayer's election, both of the following shall apply:~~

~~—(1) The state tax commissioner shall serve as the sole administrator of the municipal net profit tax for which the taxpayer as defined in 183.31 (C) of the Codified Ordinances is liable for the term of the election;~~

~~—(2) The commissioner shall administer the tax pursuant to sections 718.80 to 718.95 of the Revised Code, sections 183.30 to 183.45 of the Codified Ordinances, 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 the City, 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 the City of its termination of the election.~~

~~—(b) 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.~~

~~—(c) Upon a timely and valid termination of the election, the taxpayer is no longer subject to sections 183.30 to 183.45 of the Codified Ordinances, and is instead subject to the provisions set forth in the remainder of this chapter.~~

~~—(C) The tax commissioner shall enforce and administer sections 183.30 to 183.45 of the Codified Ordinances. In addition to any other powers conferred upon the tax commissioner by law, the tax commissioner may:~~

~~—(1) Prescribe all forms necessary to administer those sections;~~

~~—(2) Adopt such rules as the tax commissioner finds necessary to carry out those sections;~~

~~—(3) Appoint and employ such personnel as are necessary to carry out the duties imposed upon the tax commissioner by those sections.~~

~~—(D) The tax commissioner shall not be considered a tax administrator, as that term is defined in section 718.01 of the Revised Code and Section 183.03 (45) of the City Codified Ordinances. (Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.31 DEFINITIONS.~~

~~—If a term used in sections 183.30 to 183.45 of the Codified Ordinances 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 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 have control over the use of the term in Title LVII of the Revised Code, unless the term is defined in Chapter 5703. of the Revised Code, in which case the definition in that chapter shall control. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States related to federal income taxes. If a term is defined in both this section and section 183.03 of the Codified Ordinances, the~~



definition in this section shall control for all uses of that term in sections 183.30 to 183.45 of the Codified Ordinances.

~~—As used in sections 183.30 to 183.45 of the Codified Ordinances only:~~

~~—(A) "Municipal taxable income" means income apportioned or situated to the municipal corporation under section 183.32 of the Codified Ordinances, as applicable, reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation.~~

~~—(B) "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 as described in division (D)(5) of section 718.01 of the Revised Code and section 183.03 of the Codified Ordinances, 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:~~

~~—(1) 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.~~

~~—(2) Add an amount equal to five per cent of intangible income deducted under division (B)(1) 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.~~

~~—(3) 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.~~

~~—(4) (a) Except as provided in division (B)(4)(b) 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.~~

~~—(b) Division (B)(4)(a) 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.~~

~~—(5) Add taxes on or measured by net income allowed as a deduction in the computation of federal taxable income.~~

~~—(6) 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.~~

~~—(7) 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 Revised Code.~~

~~—(8) Deduct exempt income to the extent not otherwise deducted or excluded in computing adjusted federal taxable income.~~

~~—(9) 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 183.36 of the Codified Ordinances.~~

~~—(10) 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 183.36 of the Codified Ordinances.~~

~~—If the taxpayer is not a C corporation, is not a disregarded entity that has made the election described in division (48) of section 183.03 of the Codified Ordinances, and is not a publicly traded partnership that has made the election described in division (24)(e) of section 183.03 of the Codified Ordinances, 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 (B) 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.~~

~~—(C) "Taxpayer" has the same meaning as in section 183.03 (48) of the Codified Ordinances, except that "taxpayer" does not include natural persons or entities subject to the tax imposed under Chapter 5745. of the Revised Code. "Taxpayer" may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer.~~

~~—(D) "Tax return" or "return" means the notifications and reports required to be filed pursuant to sections 183.30 to 183.45 of the Codified Ordinances for the purpose of reporting municipal income taxes, and includes declarations of estimated tax.~~

~~—(E) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the calculation of the taxpayer's adjusted federal taxable income is based pursuant to this chapter. If a taxpayer's taxable year is changed for federal income tax purposes, the taxable year for purposes of sections~~

~~183.30 to 183.45 of the Codified Ordinances is changed accordingly but may consist of an aggregation of more than one taxable year for federal income tax purposes. The tax commissioner may prescribe by rule an appropriate period as the taxable year for a taxpayer that has had a change of its taxable year for federal income tax purposes, for a taxpayer that has two or more short taxable years for federal income tax purposes as the result of a change of ownership, or for a new taxpayer that would otherwise have no taxable year.~~

~~—(F) "Assessment" means a notice of underpayment or nonpayment of a tax issued pursuant to section 183.02 (C)(2) of the Codified Ordinances.~~

~~—(Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.32 APPLICABILITY; TAXABLE SITUS; APPORTIONMENT.~~

~~—This section applies to any taxpayer that is engaged in a business or profession in the City and that has made the election under section 183.30 of the Codified Ordinances.~~

~~—(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 City shall be considered as having a taxable situs in the City 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 City 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 City 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 183.02 (C)(35) of the Codified Ordinances;~~

~~—(3) Total gross receipts of the business or profession from sales and rentals made and services performed during the taxable period in the City 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 City, the taxpayer may request, or the tax commissioner 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 municipal corporation;~~

— (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 commissioner denies the request in an assessment issued within the period prescribed by division (A) of section 183.19 of the Codified Ordinances.~~

— (3) ~~The tax commissioner 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 183.19 of the Codified Ordinances.~~

— (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 commissioner 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 the tax commissioner makes such a determination, the employer may dispute the determination by establishing, by a preponderance of the evidence, that the tax commissioner's determination was unreasonable.~~

~~—(D) For the purposes of division (A)(3) of this section, receipts from sales and rentals made and services performed shall be situated to the City as follows:~~

~~—(1) Gross receipts from the sale of tangible personal property shall be situated to the City 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 City from a stock of goods located within the City.~~

~~—(b) The property is delivered within the City from a location outside the City, provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within the City and the sales result from such solicitation or promotion.~~

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

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

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

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

~~—(E) Commissions received by a real estate agent or broker relating to the sale, purchase, or lease of real estate shall be situated to the City in which the real estate is located. Net profit reported by the real estate agent or broker shall be allocated to the City based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in the City to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.~~

~~—(F) 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 of section 183.03 of the Codified Ordinances by the City or substantially similar provision of the codified ordinances of another municipal corporation, the taxpayer shall add the amount that is exempt from taxation to the taxpayer's net profit that was apportioned to the City. In no case shall a taxpayer be required to add to its net profit that was apportioned to the City 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 the City under this section.~~

~~—(G) 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. (Ord. 2018-06. Passed 2-20-18.)

### ~~183.33 INFORMATION PROVIDED TO TAX ADMINISTRATORS; CONFIDENTIALITY.~~

~~—(A) Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by sections 183.30 to 183.45 of the Codified Ordinances 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.~~

~~—(B) In May and November of each year, the tax commissioner shall provide the City tax administrator with the following information for every taxpayer that filed tax returns with the commissioner under sections 183.30 to 183.45 of the Codified Ordinances and that had municipal taxable income apportionable to the [City/Village] under this chapter for any prior year:~~

~~—(1) The taxpayer's name, address, and federal employer identification number;~~

~~—(2) The taxpayer's apportionment ratio for, and amount of municipal taxable income apportionable to, the City pursuant to section 183.03 of the Codified Ordinances;~~

~~—(3) The amount of any pre-2017 net operating loss carryforward utilized by the taxpayer;~~

~~—(4) Whether the taxpayer requested that any overpayment be carried forward to a future taxable year;~~

~~—(5) The amount of any credit claimed under section 718.94 of the Revised Code.~~

~~—(C) Not later than thirty days after each distribution made to municipal corporations under section 718.83 of the Revised Code, the tax commissioner shall provide to the City a report stating the name and federal identification number of every taxpayer that made estimated payments that are attributable to the City and the amount of each such taxpayer's estimated payment.~~

~~—(D) The information described under divisions (B) and (C) of this section shall be provided to the individual or individuals designated by the City tax administrator under section 718.83(D) of the Revised Code.~~

~~—(E)(1) The City expects that the tax commissioner will, pursuant to section 718.84(E) of the Revised Code, provide tax returns and other information it receives in the performance of its administration of the municipal net profits tax for taxpayers making the election provided in section 183.30 of the Codified Ordinances. The tax administrator shall review these returns and information, as well as the information received pursuant to divisions (B) and (C) of this section, and has discretion to refer any taxpayer for audit by the tax~~

commissioner. Such referral shall be made on a form prescribed by the commissioner and shall include any information that forms the basis for the referral.

~~—(2) If the tax commissioner declines to audit a taxpayer referred by the tax administrator under this section, the City reserves its right to pursue any and all remedies, whether at law or in equity, to ensure that the correct tax liability has been calculated and paid by the taxpayer.~~

~~—(Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.34 FILING OF ANNUAL RETURN; REMITTANCE; DISPOSITION OF FUNDS.~~

~~—(A)(1) 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 183.07 of the Codified Ordinances, 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.~~

~~—(2) If a taxpayer has multiple taxable years ending within one calendar year, the taxpayer shall aggregate the facts and figures necessary to compute the tax due under this chapter, in accordance with sections 183.31 (E), 183.32, and, if applicable, 183.36 of the Codified Ordinances onto its annual return.~~

~~—(3) The remittance shall be made payable to the treasurer of state and in the form prescribed by the tax commissioner. If the amount payable with the tax return is ten dollars or less, no remittance is required.~~

~~—(B)(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 identification number. Each return shall be verified by a declaration under penalty of perjury.~~

~~—(2)(a) The tax commissioner may require a taxpayer to include, with each annual tax return, amended return, or request for refund filed with the commissioner under sections 183.30 to 183.45 of the Codified Ordinances, copies of any relevant documents or other information.~~

~~—(b) A taxpayer that files an annual tax return electronically through the Ohio business gateway or in another manner as prescribed by the tax commissioner shall either submit the documents required under this division electronically as prescribed at the time of filing or, if electronic submission is not available, mail the documents to the tax commissioner. The department of taxation shall publish a method of electronically submitting the documents required under this division on or before January 1, 2019.~~

~~—(3) After a taxpayer files a tax return, the tax commissioner may request, and the taxpayer shall provide, any information, statements, or documents required to determine and verify the taxpayer's municipal income tax.~~

~~—(D)(1) (a) Any taxpayer that has duly requested an automatic extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing~~

of a tax return with the commissioner under this section. The extended due date of the return shall be the fifteenth day of the tenth month after the last day of the taxable year to which the return relates.

—(b)— 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 commissioner grant the taxpayer a six-month extension of the date for filing the taxpayer's municipal income tax return. If the commissioner receives the request on or before the date the municipal income tax return is due, the commissioner shall grant the taxpayer's extension request.

—(c)— An extension of time to file under division (D)(1) of this section is not an extension of the time to pay any tax due unless the tax commissioner grants an extension of that date.

—(2)— If the commissioner considers it necessary in order to ensure payment of a tax imposed in accordance with section 183.01 of the Codified Ordinances, the commissioner 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.

—(E)— Each return required 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 commissioner about matters pertaining to the return. The return or instructions accompanying the return shall indicate that by checking the box the taxpayer authorizes the commissioner 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 commissioner with information that is missing from the return, to contact the commissioner 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 commissioner and has shown to the preparer or other person.

—(F)— When income tax returns or other documents require the signature of a tax return preparer, the tax commissioner shall accept a facsimile or electronic version of such a signature in lieu of a manual signature. (Ord. 2018-06. Passed 2-20-18.)

#### 183.35 ELECTRONIC FILING.

—(A)— All taxpayers that have made the election allowed under section 183.30 of the Codified Ordinances 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.

—(B)— A taxpayer may apply to the commissioner, on a form prescribed by the commissioner, to be excused from the requirement to file returns and make payments electronically. For good cause shown, the commissioner may excuse the applicant from the requirement and permit the applicant to file the returns or make the payments by non-electronic means.



~~—(C) The tax commissioner may adopt rules establishing the following:~~

~~—(1) The format of documents to be used by taxpayers to file returns and make payments by electronic means;~~

~~—(2) The information taxpayers must submit when filing tax returns by electronic means. (Ord. 2018-06. Passed 2-20-18.)~~

### 183.36 CONSOLIDATED RETURNS.

~~—(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) A taxpayer that is a member of an affiliated group of corporations may elect to file a consolidated tax return for a taxable year if at least one member of the affiliated group of corporations is subject to 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. 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. The election continues to be binding for each subsequent five-year period unless the taxpayer elects to discontinue filing consolidated tax returns under division (B)(2) of this section or a taxpayer receives permission from the tax commissioner. The tax commissioner shall approve such a request for good cause shown.~~

~~—(2) An election to discontinue filing consolidated tax returns under this section must be made on or before the fifteenth day of the fourth month of the year following the last year of a five-year consolidated tax return election period in effect under division (B)(1) of this section. The election to discontinue filing a consolidated 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)—When a taxpayer makes the election allowed under section 183.30 of the Codified Ordinances, a valid election made by the taxpayer under division (B)(1) or (2) of section 183.30 of the Codified Ordinances is binding upon the tax commissioner for the remainder of the five-year period.~~

~~—(5)—When an election made under section 183.30 of the Codified Ordinances is terminated, a valid election made under this section 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 tax return for that taxable year if the tax commissioner 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 a municipal corporation. A taxpayer that is required to file a consolidated tax return for a taxable year shall file a consolidated tax return for all subsequent taxable years unless the taxpayer requests and receives written permission from the commissioner to file a separate return or a taxpayer has experienced a change in circumstances.~~

~~—(D)—A taxpayer shall prepare a consolidated 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 tax return shall compute adjusted federal taxable income, as defined in section 183.31 of the Codified Ordinances, 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 tax return shall make any adjustment otherwise required under division (B) of section 183.31 of the Codified Ordinances 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 per cent 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 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 183.32 of the Codified Ordinances, 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 183.32 of the Codified Ordinances, 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 per cent 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 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 183.32 of the Codified Ordinances, 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 sections 183.30 to 183.45 of the Codified Ordinances 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 tax return shall make the computations required under section 183.32 of the Codified Ordinances 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 tax return is jointly and severally liable for any tax, interest, penalties, fines, charges, or other amounts applicable under section to 183.30 to 183.45 of the Codified Ordinances or Chapter 5703. of the Revised Code to 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.~~

~~(Ord. 2018-06. Passed 2-20-18.)~~

~~183.37 FAILURE TO PAY TAX.~~

~~—If a taxpayer that has made the election allowed under 183.30 to 183.45 of the Codified Ordinances fails to pay any tax as required under sections 183.30 to 183.45 of the Codified Ordinances, 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 183.19 of the Codified Ordinances, whichever occurs first.~~

~~(Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.38 DECLARATION OF ESTIMATED TAXES.~~

~~—(A) As used in this section:~~

~~—(1) "Combined tax liability" means the total amount of a taxpayer's income tax liabilities to all municipal corporations in this state for a taxable year.~~

~~—(2) "Estimated taxes" means the amount that the taxpayer reasonably estimates to be the taxpayer's combined tax liability for the current taxable year.~~

~~—(B)(1) Except as provided in division (B)(4) of this section, every taxpayer shall make a declaration of estimated taxes for the current taxable year, on the form prescribed by the tax commissioner, if the amount payable as estimated taxes is at least two hundred dollars.~~

~~—(2) Except as provided in division (B)(4) of this section, a taxpayer having a taxable year of less than twelve months shall make a declaration under rules prescribed by the commissioner.~~

~~—(3) The declaration of estimated taxes shall be filed on or before the fifteenth day of the fourth month after the beginning of the taxable year or on or before the fifteenth day of the fourth month after the taxpayer becomes subject to tax for the first time.~~

~~—(4) The tax commissioner 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.~~

~~—(C) Each taxpayer shall file the declaration of estimated taxes with, and remit estimated taxes to, the tax commissioner at the times and in the amounts prescribed in division (C)(1) of this section. Remitted taxes shall be made payable to the treasurer of state.~~

~~—(1) The required portion of the combined tax liability for the taxable year that shall be paid through estimated taxes 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 per cent of the combined 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 per cent of the combined 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 per cent of the combined tax liability for the taxable year;~~

~~—(d) On or before the fifteenth day of the twelfth month of the taxable year, ninety per cent of the combined tax liability for the taxable year.~~

~~—(2) If the taxpayer determines that its declaration of estimated taxes will not accurately reflect the taxpayer's tax liability for the taxable year, the taxpayer shall increase or decrease, as appropriate, its subsequent payments in equal installments to result in a more accurate payment of estimated taxes.~~

~~—(3) (a) Each taxpayer shall report on the declaration of estimated taxes the portion of the remittance that the taxpayer estimates that it owes to each municipal corporation for the taxable year.~~

~~—(b) Upon receiving a payment of estimated taxes under this section, the commissioner shall immediately forward the payment to the treasurer of state. The treasurer shall credit the payment in the same manner as in division (B) of section 718.85 of the Revised Code.~~

~~—(D)(1) In the case of any underpayment of estimated taxes, there shall be added to the taxes an amount determined at the rate per annum prescribed by section 5703.47 of the Revised Code 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 per cent of the combined 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 per cent of the combined 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 per cent of the combined 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 per cent of the combined 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 due.~~

~~—(3) All amounts collected under this section shall be considered as taxes collected under sections 183.30 to 183.45 of the Codified Ordinances and shall be credited and distributed to municipal corporations in accordance with section 718.83 of the Revised Code.~~

~~—(E) An underpayment of any portion of a combined tax liability 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 per cent of the combined 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 per cent 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 municipal income tax return for that year. (Ord. 2018-06. Passed 2-20-18.)~~

#### 183.39 ADDITIONAL PENALTIES.

~~—(A) In addition to any other penalty imposed by sections 183.30 to 183.45 of the Codified Ordinances or Chapter 5703. of the Revised Code, the following penalties shall apply:~~

~~—(1) If a taxpayer required to file a tax return under sections 183.30 to 183.45 of the Codified Ordinances fails to make and file the return within the time prescribed, including any extensions of time granted by the tax commissioner, the commissioner may impose a penalty not exceeding twenty-five dollars per month or fraction of a month, for each month or fraction of a month elapsing between the due date, including extensions of the due date, and the date on which the return is filed. The aggregate penalty, per instance, under this division shall not exceed one hundred fifty dollars.~~

~~—(2) If a person required to file a tax return electronically under sections 183.30 to 183.45 of the Codified Ordinances fails to do so, the commissioner may impose a penalty not to exceed the following:~~

~~—(a) For each of the first two failures, five per cent of the amount required to be reported on the return;~~

~~—(b) For the third and any subsequent failure, ten per cent of the amount required to be reported on the return.~~

~~—(3) If a taxpayer that has made the election allowed under section 183.30 of the Codified Ordinances fails to timely pay an amount of tax required to be paid under this chapter, the commissioner may impose a penalty equal to fifteen per cent of the amount not timely paid.~~

~~—(4)— If a taxpayer files what purports to be a tax return required by sections 183.30 to 183.45 of the Codified Ordinances that does not contain information upon which the substantial correctness of the return may be judged or contains information that on its face indicates that the return is substantially incorrect, and the filing of the return in that manner is due to a position that is frivolous or a desire that is apparent from the return to delay or impede the administration of sections 183.30 to 183.45 of the Codified Ordinances, a penalty of up to five hundred dollars may be imposed.~~

~~—(5)— If a taxpayer makes a fraudulent attempt to evade the reporting or payment of the tax required to be shown on any return required under sections 183.30 to 183.45 of the Codified Ordinances, a penalty may be imposed not exceeding the greater of one thousand dollars or one hundred per cent of the tax required to be shown on the return.~~

~~—(6)— If any person makes a false or fraudulent claim for a refund under section 183.09 of the Codified Ordinances, a penalty may be imposed not exceeding the greater of one thousand dollars or one hundred per cent of the claim. Any penalty imposed under this division, any refund issued on the claim, and interest on any refund from the date of the refund, may be assessed under section 183.18 of the Codified Ordinances without regard to any time limitation for the assessment imposed by division (A) of that section.~~

~~—(B)— For purposes of this section, the tax required to be shown on a tax return shall be reduced by the amount of any part of the tax paid on or before the date, including any extensions of the date, prescribed for filing the return.~~

~~—(C)— Each penalty imposed under this section shall be in addition to any other penalty imposed under this section. All or part of any penalty imposed under this section may be abated by the tax commissioner. The commissioner may adopt rules governing the imposition and abatement of such penalties.~~

~~—(D)— All amounts collected under this section shall be considered as taxes collected under sections 183.30 to 183.45 of the Codified Ordinances and shall be credited and distributed to municipal corporations in the same proportion as the underlying tax liability is required to be distributed to such municipal corporations under section 718.83 of the Revised Code.~~

~~(Ord. 2018-20. Passed 2-20-18.)~~

#### ~~183.40 ASSESSMENTS AGAINST TAXPAYER.~~

~~—(A)— If any taxpayer required to file a return under section 183.30 to 183.45 of the Codified Ordinances fails to file the return within the time prescribed, files an incorrect return, or fails to remit the full amount of the tax due for the period covered by the return, the tax commissioner may make an assessment against the taxpayer for any deficiency for the period for which the return or tax is due, based upon any information in the commissioner's possession.~~

~~—The tax commissioner shall not make or issue an assessment against a taxpayer more than three years after the later of the date the return subject to assessment was required to be filed or the date the return was filed. Such time limit may be extended if both the taxpayer and the commissioner consent in writing to the extension. Any such extension~~

shall extend the three-year time limit in section 183.19 of the Codified Ordinances for the same period of time. There shall be no bar or limit to an assessment against a taxpayer that fails to file a return subject to assessment as required by sections 183.30 to 183.45 of the Codified Ordinances, or that files a fraudulent return. The commissioner shall give the taxpayer assessed written notice of the assessment as provided in section 5703.37 of the Revised Code. With the notice, the commissioner shall provide instructions on how to petition for reassessment and request a hearing on the petition.

—(B)— Unless the taxpayer assessed files with the tax commissioner within sixty days after service of the notice of assessment, either personally or by certified mail, a written petition for reassessment signed by the authorized agent of the taxpayer assessed having knowledge of the facts, the assessment becomes final, and the amount of the assessment is due and payable from the taxpayer to the treasurer of state. The petition shall indicate the taxpayer's objections, but additional objections may be raised in writing if received by the commissioner prior to the date shown on the final determination. If the petition has been properly filed, the commissioner shall proceed under section 5703.60 of the Revised Code.

—(C)— After an assessment becomes final, if any portion of the assessment remains unpaid, including accrued interest, a certified copy of the tax commissioner's entry making the assessment final may be filed in the office of the clerk of the court of common pleas in the county in which the taxpayer has an office or place of business in this state, the county in which the taxpayer's statutory agent is located, or Franklin county.

—Immediately upon the filing of the entry, the clerk shall enter a judgment against the taxpayer assessed in the amount shown on the entry. The judgment may be filed by the clerk in a loose-leaf book entitled "special judgments for municipal income taxes," and shall have the same effect as other judgments. Execution shall issue upon the judgment upon the request of the tax commissioner, and all laws applicable to sales on execution shall apply to sales made under the judgment.

—If the assessment is not paid in its entirety within sixty days after the day the assessment was issued, the portion of the assessment consisting of tax due shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the day the commissioner issues the assessment until the assessment is paid or until it is certified to the attorney general for collection under section 131.02 of the Revised Code, whichever comes first. If the unpaid portion of the assessment is certified to the attorney general for collection, the entire unpaid portion of the assessment shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the date of certification until the date it is paid in its entirety. Interest shall be paid in the same manner as the tax and may be collected by issuing an assessment under this section.

—(D)— All money collected under this section shall be credited to the municipal income tax fund and distributed to the municipal corporation to which the money is owed based on the assessment issued under this section.

—(E)— If the tax commissioner believes that collection of the tax will be jeopardized unless proceedings to collect or secure collection of the tax are instituted without delay, the commissioner may issue a jeopardy assessment against the taxpayer liable for the tax.



Immediately upon the issuance of the jeopardy assessment, the commissioner shall file an entry with the clerk of the court of common pleas in the manner prescribed by division (C) of this section. Notice of the jeopardy assessment shall be served on the taxpayer assessed or the taxpayer's legal representative in the manner provided in section 5703.37 of the Revised Code within five days of the filing of the entry with the clerk. The total amount assessed is immediately due and payable, unless the taxpayer assessed files a petition for reassessment in accordance with division (B) of this section and provides security in a form satisfactory to the commissioner and in an amount sufficient to satisfy the unpaid balance of the assessment. Full or partial payment of the assessment does not prejudice the commissioner's consideration of the petition for reassessment.

—(F)— Notwithstanding the fact that a petition for reassessment is pending, the taxpayer may pay all or a portion of the assessment that is the subject of the petition. The acceptance of a payment by the treasurer of state does not prejudice any claim for refund upon final determination of the petition.

—If upon final determination of the petition an error in the assessment is corrected by the tax commissioner, upon petition so filed or pursuant to a decision of the board of tax appeals or any court to which the determination or decision has been appealed, so that the amount due from the taxpayer under the corrected assessment is less than the portion paid, there shall be issued to the taxpayer, its assigns, or legal representative a refund in the amount of the overpayment as provided by section 183.19 of the Codified Ordinances, with interest on that amount as provided by that section. (Ord. 2018-06. Passed 2-20-18.)

#### 183.41 REFUND APPLICATIONS.

—(A)— An application to refund to a taxpayer the amount of taxes paid on any illegal, erroneous, or excessive payment of tax under sections 183.30 to 183.45 of the Codified Ordinances, including assessments, shall be filed with the tax commissioner within three years after the date of the illegal, erroneous, or excessive payment of the tax, or within any additional period allowed by division (A) of section 183.19 of the Codified Ordinances. The application shall be filed in the form prescribed by the tax commissioner.

—(B)(1)— On the filing of a refund application, the tax commissioner shall determine the amount of refund to which the applicant is entitled. The amount determined shall be based on the amount overpaid per return or assessment. If the amount is greater than ten dollars and not less than that claimed, the commissioner shall certify that amount to the director of budget and management and the treasurer of state for payment from the tax refund fund created in section 5703.052 of the Revised Code. If the amount is greater than ten dollars but less than that claimed, the commissioner shall proceed in accordance with section 5703.70 of the Revised Code.

—(2)— Upon issuance of a refund under this section, the commissioner shall notify each municipal corporation of the amount refunded to the taxpayer attributable to that municipal corporation, which shall be deducted from the municipal corporation's next distribution under section 718.83 of the Revised Code.

~~—(C) Any portion of a refund determined under division (B) of this section that is not issued within ninety days after such determination shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the ninety-first day after such determination until the day the refund is paid or credited. On an illegal or erroneous assessment, interest shall be paid at that rate from the date of payment on the illegal or erroneous assessment until the day the refund is paid or credited.~~

~~(Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.42 AMENDED RETURNS.~~

~~—(A) If any of the facts, figures, computations, or attachments required in an annual return filed by a taxpayer that has made the election allowed under section 183.30 of the Codified Ordinances and used to determine the tax due under sections 183.30 to 183.45 of the Codified Ordinances 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 taxpayer's tax liability under those sections, the taxpayer shall file an amended return with the tax commissioner in such form as the commissioner requires. The amended return shall be filed not later than sixty days after the adjustment is agreed upon or finally determined for federal income tax purposes or after any federal income tax deficiency or refund, or the abatement or credit resulting therefrom, has been assessed or paid, whichever occurs first. 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 commissioner before filing the amended return.~~

~~—(B) 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. An amended return required by this section is a return subject to assessment under section 183.19 of the Codified Ordinances for the purpose of assessing any additional tax due under this section, together with any applicable penalty and interest. The amended return shall not reopen those facts, figures, computations, or attachments from a previously filed return no longer subject to assessment that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal tax return.~~

~~—(C) In the case of an overpayment, an application for refund may be filed under this division within the sixty-day period prescribed for filing the amended return, even if that period extends beyond the period prescribed in section 183.19 of the Codified Ordinances, if the application otherwise conforms to the requirements of that section. An application 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 income tax return unless it is also filed within the time prescribed in section 183.19 of the Codified Ordinances. The application 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 income tax return.~~

~~(Ord. 2018-06. Passed 2-20-18.)~~

~~183.43 EXAMINATION OF RECORDS AND OTHER DOCUMENTS AND PERSONS.~~

~~—(A)— The tax commissioner, or any authorized agent or employee thereof, may examine the books, papers, records, and federal and state income tax returns of any taxpayer or other person that is subject to sections 183.30 to 183.45 of the Codified Ordinances for the purpose of verifying the accuracy of any return made or, if no return was filed, to ascertain the tax due as required under those sections. Upon written request by the commissioner or a duly authorized agent or employee thereof, every taxpayer or other person subject to this section is required to furnish the opportunity for the commissioner, 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 or other person that is subject to sections 183.30 to 183.45 of the Codified Ordinances shall be open to the tax commissioner'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 commissioner, in writing, consents to their destruction within that period, or by order requires that they be kept longer. The commissioner may require any person, by notice served on that person, to keep such records as the commissioner determines necessary to show whether or not that person is liable, and the extent of such liability, for the income tax levied by a municipal corporation.~~

~~—(C)— The tax commissioner may examine under oath any person that the commissioner 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 commissioner may, for this purpose, compel any such person to attend a hearing or examination and to produce any books, papers, records, and federal 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 commissioner compelling attendance at a hearing or examination or the production of books, papers, records, or federal income tax returns under this section shall fail to comply. (Ord. 2018-06. Passed 2-20-18.)~~

~~183.44 CREDITS.~~

~~—(A)— A credit, granted by resolution or ordinance of the City pursuant to section 183.03 (F)(9) of the Codified Ordinances, shall be available to a taxpayer that has made the election allowed under section 183.30 of the Codified Ordinances, against the municipal corporation's tax on income. A municipal corporation shall submit the following information to the tax commissioner on or before the later of January 31, 2018, or the thirty-first day of January of the first year in which the taxpayer is eligible to receive the credit:~~

~~— (1) A copy of the agreement entered into by the City and taxpayer under section 183.03 (F)(9) of the Codified Ordinances;~~

~~— (2) A copy of the ordinance or resolution authorizing the agreement entered into between the City and the taxpayer.~~

~~— (B) (1) Each taxpayer that claims a credit shall submit, with the taxpayer's tax return, documentation issued by the City 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 the City and taxpayer under section 183(F)(9) of the Codified Ordinances, or to modify the terms or conditions of any such existing agreement.~~

~~— (Ord. 2018-06. Passed 2-20-18.)~~

#### ~~183.45 RECKLESS VIOLATIONS; PENALTIES.~~

~~— (A) Except as provided in division (B) of this section, whoever recklessly violates division (A) of section 183.99 of the Codified Ordinances shall be guilty of a misdemeanor of the first degree and shall be subject to a fine of not more than one thousand dollars or imprisonment for a term of up to six months, or both.~~

~~— (B) Each instance of access or disclosure in violation of division (A) of section 183.99 of the Codified Ordinances constitutes a separate offense.~~

~~— (C) These specific penalties shall not be construed to prevent the [City/Village] from prosecuting any and all other offenses that may apply.~~

~~(Ord. 2018-06. Passed 2-20-18.)~~

Ohio House Bill 33 requires municipalities to adopt tax ordinance amendments. The amendments need to be in effect by January 1, 2024.

The following are the amendments that impact Grandview Heights:

- Allows a business with remote workers to elect to apportion payroll, property, and sales to a designated reporting location instead of the remote worker's location.
- Reduces the late-filing penalty to a one-time \$25 penalty and permits an abatement of penalty for a taxpayer's first failure to timely file.
- Provides an additional, automatic one-month filing extension for municipal net profits tax returns where a business entity has received a six-month federal extension, bringing the full duration of the extension to seven months.
- Prohibits the sending of notices to a taxpayer with an extension in place for its municipal return until after the taxpayer either files the return or the extended due date passes.