

EMERGENCY- May 13, 2014

COUNCIL NO. 023

SPONSOR: Council

ORDINANCE NO. 24-14

AN ORDINANCE AMENDING SECTIONS 191.01, 191.02(I) AND 191.03 OF THE CODIFIED ORDINANCES OF THE CITY OF SHEFFIELD LAKE TO PROVIDE FOR AN INCREASE IN THE EARNED INCOME TAX RATE BY ONE-HALF OF ONE PERCENT, FOR THE PURPOSE OF PROVIDING FUNDS FOR ANY AND ALL PURPOSES DEEMED NECESSARY BY CITY COUNCIL TO BECOME EFFECTIVE July 1, 2014 AND THE DECLARING OF AN EMERGENCY.

*WHEREAS*, this Council finds and determines, based upon a review of the circumstances of the City of Sheffield Lake ("the City"), that it is necessary to increase the rate of earned income tax on income taxable to the City from one and one-half percent (1.5%), to two percent (2.0%); and,

*WHEREAS*, Section 13, Article IV of the City's Charter requires that any change in the City's income tax rate or tax credit must first be submitted to a vote of the electors of the City for their approval or rejection, and therefore it will be necessary to first submit the increase of the earned tax rate to a vote of the electors for their approval or rejection; and,

*WHEREAS*, at the election conducted Tuesday, May 6, 2014, the electors of the City of Sheffield Lake approved an increase to the rate of earned income tax on income taxable to the City from one and one-half (1.5%), to two percent (2.0%).

*NOW, THEREFORE*, be it ordained by the Council of the City of Sheffield Lake, State of Ohio:

Section 1. That Sections 191.01, 191.02(I) and 191.03 of the Codified Ordinances of the City of Sheffield Lake is presently reading as follows:

191.01 PURPOSE.

To provide funds for the purpose of providing funds for the police department, fire department, general Municipal operations, maintenance,

new equipment, extension and enlargement of Municipal services and facilities, capital improvements of the City, or any other purpose deemed necessary by City Council, there is hereby levied a tax on salaries, wages, commissions and other compensation and on net profits as hereinafter provided; except that the revenue generated by the one-half percent (.5%) over one percent (1%) shall not be reduced by any tax credit available under Section 191.15; and, said one-half percent (.5%) shall include one-quarter percent (.25%) which shall be used exclusively for the construction, reconstruction, resurfacing, maintenance and repair of streets, roads, and bridges in the City and paying debt charges on securities issued for the foregoing purpose.

#### 191.02

(1) "Net profits" For taxable years prior to 2004, Net Profits means a net gain from the operation of a business, profession, enterprise or other activity, after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes (provided such method does not conflict with any provision of this chapter which imposes an annual tax of one and one-half percent (1.5%) on the net profits earned, received or accrued for the effective period of this chapter attributable to the City under the formula of separate accounting method provided for in this chapter), without the deduction of taxes imposed by this chapter, Federal State and other taxes based on income; and in the case of an association, without deduction of salaries paid to partners and other owners; and otherwise adjusted to the requirements of this chapter. For taxable years 2004 and later, see "adjustable federal taxable income".

#### 191.03 IMPOSITION OF TAX.

(a) Subject to the provisions of Section 191.16, an annual tax for the purposes specified in Section 191.01 shall be imposed on and after July 1, 2006, at the rate of one and one-half percent (1.5%) per year upon the following:

(1) On all salaries, wages, commissions and other compensation earned during the effective period of this chapter by residents of the City. The term "other compensation" including, but not limited to income earned or derived from gaming, wagering, lotteries, including the Ohio state lottery or schemes of chance, of all of which shall not be taxed as

business income unless the individual subject to this tax has a federal gambler's permit effective during the tax year in which the income from gaming, wagering, lotteries or schemes of chance is received.

(2) A. On all salaries, wages, commissions and other compensations earned during the effective period of this chapter by nonresidents for work done or services performed or rendered in the City.

B. A non-resident individual who works in the municipality twelve (12) or fewer days per year shall be considered an occasional entrant, and shall not be subject to the municipal income tax for those 12 days. For purposes of the 12-day calculation, any portion of a day worked in the municipality shall be counted as one day worked municipality.

C. Beginning with the thirteenth day, the employer of said individual shall begin withholding the income tax from remuneration paid by the employer to the individual, and shall remit the withheld income tax to the municipality in accordance with the requirements of this ordinance. Since the individual can no longer be considered to have been an occasional entrant, the employer is further required to remit taxes on income earned in the municipality by the individual for the first twelve days.

D. If the individual is self-employed, it shall be the responsibility of the individual to remit the appropriate income tax to the municipality.

E. The 12-day occasional entrant rule does not apply to entertainers or professional athletes, their employees or individuals who perform services on their behalf, or to promoters and booking agents of such entertainment events and sporting events.

(3) A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all resident unincorporated businesses, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the City.

B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a resident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.

(4) A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all nonresident unincorporated businesses, professions or other entities, derived from sales made, work done or services performed or rendered and business or other activities conducted in the City, whether or not such unincorporated business entity has an office or place of business in the City.

B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a nonresident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.

C. On any income from a Sub-S Corporation created by the Federal Government as taxable income to the individual receiving the same.

(5) On the portion attributable to the City of the net profits earned during the effective period of this chapter of all corporations derived from sales made, work done, services performed or rendered and business or other activities conducted in the City, whether or not such corporations have an office or place of business in the City.

(b) The portion of the net profits attributable to the City of a taxpayer conducting a business, profession or other activity both within and without the boundaries of the City shall be determined as provided in Ohio R.C. 718.02 and in accordance with the rules and regulations adopted by the Administrator pursuant to this chapter.

(c) Operating Loss Carry Forward. (Subsection (c) was repealed by Ordinance 65-71, passed September 14, 1971.)

(d) Consolidated Returns.

(1) Filing of consolidated returns may be permitted or required in accordance with rules and regulations prescribed by the Administrator.

(2) In the case of a corporation that carries on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates or some other method, or in case any person operates a division, branch, factory, office, laboratory or activity within the City constituting a portion only of its total business, the Administrator shall require such additional information as he may deem necessary to ascertain whether net profits are properly allocated to the City. If the Administrator finds net profits are not properly allocated to the City by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directories or transactions with such division, branch, factory, office, laboratory or activity, or by some other method, he shall make such allocation as he deems appropriate to produce a fair and proper allocations of net profits to the City.

(e) Exceptions. The tax provided for herein shall not be levied upon the following:

(1) Military pay or allowances of members of the Armed Forces of the United States, or upon the net profits of any civic, charitable, religious, fraternal or other organization specified in Ohio Revised Code 718.01 to the extent that such net profits are exempted from municipal income taxes under such section.

(2) Personal earnings of all persons under sixteen years of age.

(3) Parsonage allowance, to the extent of the rental allowance or rental value of a house provided as a part of an ordained minister's compensation. The ordained minister must be duly ordained, commissioned, or licensed by a religious body constituting a church or church denomination, and must have authority to perform all sacraments of the church.

Section 2. Are hereby amended as follows:

191.01 PURPOSE.

To provide funds for the purpose of providing funds for the police department, fire department, general Municipal operations, maintenance, new equipment, extension and enlargement of Municipal services and

facilities, capital improvements of the City, or any other purpose deemed necessary by City Council, there is hereby levied a tax on salaries, wages, commissions and other compensation and on net profits as hereinafter provided; except that the revenue generated by the two percent (2.0%) shall be reduced by any tax credit available under Section 191.15; and, said two percent (2.0%) shall include one-quarter percent (.25%) which shall be used exclusively for the construction, reconstruction, resurfacing, maintenance and repair of streets, roads, and bridges in the City and paying debt charges on securities issued for the foregoing purpose and said one-quarter percent (.25%) shall not be reduced by any tax credit available under Section 191.15.

#### 191.02

(1) "Net profits" For taxable years prior to 2004, Net Profits means a net gain from the operation of a business, profession, enterprise or other activity, after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes (provided such method does not conflict with any provision of this chapter which imposes an annual tax of two percent (2.0%) on the net profits earned, received or accrued for the effective period of this chapter attributable to the City under the formula of separate accounting method provided for in this chapter), without the deduction of taxes imposed by this chapter, Federal State and other taxes based on income; and in the case of an association, without deduction of salaries paid to partners and other owners; and otherwise adjusted to the requirements of this chapter. For taxable years 2004 and later, see "adjustable federal taxable income".

#### 191.03 IMPOSITION OF TAX.

(a) Subject to the provisions of Section 191.16, an annual tax for the purposes specified in Section 191.01 shall be imposed on and after July 1, 2013, at the rate of two percent (2.0%) per year upon the following:

(1) On all salaries, wages, commissions and other compensation earned during the effective period of this chapter by residents of the City. The term "other compensation" including, but not limited to income earned or derived from gaming, wagering, lotteries, including the Ohio state lottery or schemes of chance, of all of which shall not be taxed as business income unless the individual subject to this tax has a federal gambler's permit effective during the tax year in which the income from gaming, wagering, lotteries or schemes of chance is received.

(2) A. On all salaries, wages, commissions and other compensations earned during the effective period of this chapter by nonresidents for work done or services performed or rendered in the City.

B. A non-resident individual who works in the municipality twelve (12) or fewer days per year shall be considered an occasional entrant, and shall not be subject to the municipal income tax for those 12 days. For purposes of the 12-day calculation, any portion of a day worked in the municipality shall be counted as one day worked municipality.

C. Beginning with the thirteenth day, the employer of said individual shall begin withholding the income tax from remuneration paid by the employer to the individual, and shall remit the withheld income tax to the municipality in accordance with the requirements of this ordinance. Since the individual can no longer be considered to have been an occasional entrant, the employer is further required to remit taxes on income earned in the municipality by the individual for the first twelve days.

D. If the individual is self-employed, it shall be the responsibility of the individual to remit the appropriate income tax to the municipality.

E. The 12-day occasional entrant rule does not apply to entertainers or professional athletes, their employees or individuals who perform services on their behalf, or to promoters and booking agents of such entertainment events and sporting events.

(3) A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all resident unincorporated businesses, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the City.

B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a resident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.

(4) A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all nonresident

unincorporated businesses, professions or other entities, derived from sales made, work done or services performed or rendered and business or other activities conducted in the City, whether or not such unincorporated business entity has an office or place of business in the City.

B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a nonresident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.

C. On any income from a Sub-S Corporation created by the Federal Government as taxable income to the individual receiving the same.

(5) On the portion attributable to the City of the net profits earned during the effective period of this chapter of all corporations derived from sales made, work done, services performed or rendered and business or other activities conducted in the City, whether or not such corporations have an office or place of business in the City.

(b) The portion of the net profits attributable to the City of a taxpayer conducting a business, profession or other activity both within and without the boundaries of the City shall be determined as provided in Ohio R.C. 718.02 and in accordance with the rules and regulations adopted by the Administrator pursuant to this chapter.

(c) Operating Loss Carry Forward. (Subsection (c) was repealed by Ordinance 65-71, passed September 14, 1971.)

(d) Consolidated Returns.

(1) Filing of consolidated returns may be permitted or required in accordance with rules and regulations prescribed by the Administrator.

(2) In the case of a corporation that carries on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates or some other method, or in case any person



operates a division, branch, factory, office, laboratory or activity within the City constituting a portion only of its total business, the Administrator shall require such additional information as he may deem necessary to ascertain whether net profits are properly allocated to the City. If the Administrator finds net profits are not properly allocated to the City by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directories or transactions with such division, branch, factory, office, laboratory or activity, or by some other method, he shall make such allocation as he deems appropriate to produce a fair and proper allocations of net profits to the City.

(e) Exceptions. The tax provided for herein shall not be levied upon the following:

- (1) Military pay or allowances of members of the Armed Forces of the United States, or upon the net profits of any civic, charitable, religious, fraternal or other organization specified in Ohio Revised Code 718.01 to the extent that such net profits are exempted from municipal income taxes under such section.
- (2) Personal earnings of all persons under sixteen years of age.
- (3) Parsonage allowance, to the extent of the rental allowance or rental value of a house provided as a part of an ordained minister's compensation. The ordained minister must be duly ordained, commissioned, or licensed by a religious body constituting a church or church denomination, and must have authority to perform all sacraments of the church.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of the Council and any of its committees which resulted in such formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

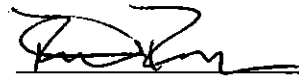
Section 4. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City for the reasons set forth in the preamble to this Ordinance, and it shall take effect July 1, 2014.

PASSED THIS 13 DAY OF May, 2014.

	Yea	Nay	NV
Leanna Stark	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kerry McCullough	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Steve Kovach	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Erdei	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alan Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Wtulich	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Cizl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

  
 \_\_\_\_\_  
 MAYOR

*Dennis Bring*

  
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PRESIDENT OF COUNCIL

*Rick Rosso*

  
 \_\_\_\_\_  
 CLERK OF COUNCIL

*Kay Fantauzzi*

I, Kay Fantauzzi, duly appointed Clerk of Council of Sheffield Lake DO HEREBY CERTIFY that this is a true and exact copy of Ordinance# 24-14.  
 PASSED May 13, 2014.

TITLE NINE - Taxation  
 Chap. 191. Earned Income Tax.  
 Chap. 193. License Tax.

CHAPTER 191  
 Earned Income Tax

<p>191.01 Purpose.          191.02 Definitions.          191.03 Imposition of tax.          191.04 Effective period.          191.05 Return and payment of tax.          191.06 Collection at source.          191.07 Declarations.          191.08 Duties of the Administrator.          191.09 Investigative powers of the Administrator; divulging confidential information.          191.10 Interest and penalties.</p>	<p>191.11 Collection of unpaid taxes and refunds of overpayments.          191.12 Violations.          191.13 Board of Review.          191.14 Allocation of funds.          191.15 Relief and reciprocity provisions.          191.16 Saving clause.          191.17 Collection of tax after termination of this chapter.          191.18 Misstatement of residence.          191.99 Penalty.</p>
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CROSS REFERENCES

Limitation on rate of taxation - see CHTR. Art. VIII, §7  
 Submission of extra levy - see CHTR. Art. VIII, §8  
 Department of Taxation - see ADM. Ch. 149

191.01 PURPOSE.

To provide funds for the purpose of providing funds for the police department, fire department, general Municipal operations, maintenance, new equipment, extension and enlargement of Municipal services and facilities, capital improvements of the City, or any other purpose deemed necessary by City Council, there is hereby levied a tax on salaries, wages, commissions and other compensation and on net profits as hereinafter provided; except that the revenue generated by the one-half percent (.5%) over one percent (1%) shall not be reduced by any tax credit available under Section 191.15; and, said one-half percent (.5%) shall include one-quarter percent (.25%) which shall be used exclusively for the construction, reconstruction, resurfacing, maintenance and repair of streets, roads, and bridges in the City and paying debt charges on securities issued for the foregoing purposes.  
 (Ord. 16-06. Passed 1-24-06.)

## 191.02 DEFINITIONS.

As used in this chapter, the following words shall have the meaning ascribed to them in this section, except as and if the context clearly indicates or requires a different meaning.

- (a) Adjusted federal taxable income – A “C” corporation’s federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, but including subsequent adjustments from required additions and deductions. Pass-through entities must compute “Adjusted Federal Taxable Income” as if the pass-through entity was a “C” corporation. This definition does not apply to any taxpayer required to file a return under Ohio Revised Code (ORC) section 5745.03 or to the net profit from a sole proprietorship. This definition is effective for tax years beginning on or after January 1, 2004.
- (b) “Administrator” means the individual designated by this chapter and Section 149.01, appointed by the Mayor and approved by Council, to administer and enforce the provisions of this chapter.
- (c) “Assignment” means the assignment made by a resident of the City of claim for refund due from another taxing municipality granting credit to nonresidents thereof.
- (d) “Association” means a partnership, limited partnership or any other form of unincorporated enterprise owned by two or more persons.
- (e) “Board of Review” means the Board created by and constituted as provided in Section 191.13.
- (f) “Business” means an enterprise, activity, profession or undertaking of any nature conducted for profit or ordinarily conducted for profit, whether by an individual, partnership, association, corporation or any other entity, including, but not limited to, the renting or leasing of property, personal or mixed.
- (g) “Corporation” means a corporation or joint stock association organized under the laws of the United States, the State of Ohio or any other state, territory, or foreign country or dependency.
- (h) “Employee” means one who works for wages, salary, commission or other type of compensation in the service of an employer.
- (i) “Employer” means an individual, partnership, association, corporation, governmental body, unit or agency or any other entity, whether or not organized for profit, who or that employees one or more persons on a salary, wage, commission or other compensation basis.
- (j) “Fiscal year” means an accounting period of twelve months or less ending on any day other than December 31.
- (k) “Gross receipts” means the total income from any source whatsoever.
- (l) “Net profits” For taxable years prior to 2004, Net Profits means a net gain from the operation of a business, profession, enterprise or other activity, after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for Federal income tax purposes (provided such method does not conflict with any provision of this chapter which imposes an annual tax of one percent on the net profits earned, received or accrued for the effective period of this chapter attributable to the City under the formula of separate accounting method provided for in this chapter), without the deduction of taxes imposed by this chapter, Federal State and other taxes based on income; and in the case of an association, without deduction of salaries paid to partners and other owners; and otherwise adjusted to the requirements of this chapter. For taxable years 2004 and later, see “adjustable federal taxable income”.

- (m) “Nonresident” means an individual domiciled outside the City.
- (n) “Nonresident unincorporated business entity” means an unincorporated business entity not having an office or place of business within the City.
- (o) “Person” means every natural person, partnership, fiduciary, association or corporation. Whenever used in any clause prescribing and imposing a penalty, the term “person” as applied to any unincorporated entity, shall mean the partners or members thereof, and as applied to corporations, the officers thereof.
- (p) “Place of business” means any bona fide office, other than a mere statutory office, factory, warehouse or other space which is occupied and used by the taxpayer in carrying on any business activity individually or through one or more of his regular employees regularly in attendance.
- (q) “Qualifying Wage” means wages defined in Section 3121(a) of the Internal Revenue Code, without regard to any wage limitations, but including subsequent adjustments from required additions and deductions. “Qualifying wage” represents employees’ income from which municipal tax shall be deducted by the employer, and any wages not considered a part of “qualifying wage” shall not be taxed by the municipality. This definition is effective January 1, 2004, for taxable years 2004 and later.
- (r) “Reciprocity credit” means the credit granted by a municipality to its residents, and to nonresidents whose city of residence grants a similar credit to nonresidents thereof, based on seventy-five percent of the lesser of the two rates.
- (s) “Resident” means an individual domiciled in the City.
- (t) “Resident unincorporated business entity” means an unincorporated business entity having an office or place of business within the City.
- (u) “Taxable income” means wages, salaries and other compensation paid by an employer or employers before any deductions and/or the net profits from the operation of a business, profession or other enterprise or activity adjusted in accordance with the provisions of this chapter and any income from a Sub-S Corporation created by the Federal Government as taxable income to the individual receiving same.
- (v) “Taxable year” means the calendar year, or the fiscal year upon the basis of which the net profits are to be computed under this chapter and, in the case of a return for a fractional part of a year, the period for which such return is required to be made.
- (w) “Taxing municipality” means any municipal corporation levying a municipal income tax on salaries, wages, commissions and other compensation by individuals, and on the net profits earned from the operation of a business, profession or other activity.
- (x) “Taxpayer” means a person, whether an individual, partnership, association, corporation or other entity, required hereunder to file a return or pay a tax.
- (y) The singular shall include the plural and the masculine shall include the feminine and the neuter. (Ord. 39-05. Passed 4-26-05.)

## 191.03 IMPOSITION OF TAX.

(a) Subject to the provisions of Section 191.16, an annual tax for the purposes specified in Section 191.01 shall be imposed on and after July 1, 2006, at the rate of one and one-half percent (1.5%) per year upon the following:

- (1) On all salaries, wages, commissions and other compensation earned during the effective period of this chapter by residents of the City. The term "other compensation" including, but not limited to income earned or derived from gaming, wagering, lotteries, including the Ohio state lottery or schemes of chance, of all of which shall not be taxed as business income unless the individual subject to this tax has a federal gambler's permit effective during the tax year in which the income from gaming, wagering, lotteries or schemes of chance is received.
- (2)
  - A. On all salaries, wages, commissions and other compensation earned during the effective period of this chapter by nonresidents for work done or services performed or rendered in the City.
  - B. A non-resident individual who works in the municipality twelve (12) or fewer days per year shall be considered an occasional entrant, and shall not be subject to the municipal income tax for those 12 days. For purposes of the 12-day calculation, any portion of a day worked in the municipality shall be counted as one day worked municipality.
  - C. Beginning with thirteenth day, the employer of said individual shall begin withholding the income tax from remuneration paid by the employer to the individual, and shall remit the withheld income tax to the municipality in accordance with the requirements of this ordinance. Since the individual can no longer be considered to have been an occasional entrant, the employer is further required to remit taxes on income earned in the municipality by the individual for the first twelve days.
  - D. If the individual is self-employed, it shall be the responsibility of the individual to remit the appropriate income tax to the municipality.
  - E. The 12-day occasional entrant rule does not apply to entertainers or professional athletes, their employees or individuals who perform services on their behalf, or to promoters and booking agents of such entertainment events and sporting events.
- (3)
  - A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all resident unincorporated businesses, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the City.
  - B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a resident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.

- (4)
  - A. On the portion attributable to the City of the net profits earned during the effective period of this chapter of all nonresident unincorporated businesses, professions or other entities, derived from sales made, work done or services performed or rendered and business or other activities conducted in the City, whether or not such unincorporated business entity has an office or place of business in the City.
  - B. On the portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a nonresident unincorporated business entity not attributable to the City and not levied against such unincorporated business entity. However, the liability of an individual partner or owner taxable hereunder on income attributable to another taxing municipality shall be subject to the relief and reciprocity provisions of Section 191.15.
  - C. On any income from a Sub-S Corporation created by the Federal Government as taxable income to the individual receiving the same.
- (5) On the portion attributable to the City of the net profits earned during the effective period of this chapter of all corporations derived from sales made, work done, services performed or rendered and business or other activities conducted in the City, whether or not such corporations have an office or place of business in the City.

(b) The portion of the net profits attributable to the City of a taxpayer conducting a business, profession or other activity both within and without the boundaries of the City shall be determined as provided in Ohio R.C. 718.02 and in accordance with the rules and regulations adopted by the Administrator pursuant to this chapter.

(c) Operating Loss Carry Forward. (Subsection (c) was repealed by Ordinance 65-71, passed September 14, 1971.)

(d) Consolidated Returns.

- (1) Filing of consolidated returns may be permitted or required in accordance with rules and regulations prescribed by the Administrator.
- (2) In the case of a corporation that carries on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates or some other method, or in case any person operates a division, branch, factory, office, laboratory or activity within the City constituting a portion only of its total business, the Administrator shall require such additional information as he may deem necessary to ascertain whether net profits are properly allocated to the City. If the Administrator finds net profits are not properly allocated to the City by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directorates or transactions with such division, branch, factory, office, laboratory or activity, or by some other method, he shall make such allocation as he deems appropriate to produce a fair and proper allocations of net profits to the City.

- (e) Exceptions. The tax provided for herein shall not be levied upon the following:
- (1) Military pay or allowances of members of the Armed Forces of the United States, or upon the net profits of any civic, charitable, religious, fraternal or other organization specified in Ohio R.C. 718.01 to the extent that such net profits are exempted from municipal income taxes under such section.
  - (2) Personal earnings of all persons under sixteen years of age.
  - (3) Parsonage allowance, to the extent of the rental allowance or rental value of a house provided as a part of an ordained minister's compensation. The ordained minister must be duly ordained, commissioned, or licensed by a religious body constituting a church or church denomination, and must have authority to perform all sacraments of the church.  
(Ord. 16-06. Passed 1-24-06.)

#### 191.04 EFFECTIVE PERIOD.

The tax provided for in Section 191.03 shall be levied, collected and paid with respect to the salaries, wages, commissions and other compensation, and with respect to the net profits of businesses, professions or other activities, earned from and after July 1, 1968.  
(Ord. 39-05. Passed 4-26-05.)

#### 191.05 RETURN AND PAYMENT OF TAX.

(a) Each taxpayer, except as herein provided, shall, whether or not a tax is due thereon, make and file a return on or before April 15 of the year following the effective date of this chapter, and on or before April 15 of each year thereafter. When the return is made for a fiscal year or other period different from the calendar year, the return shall be filed within four months from the end of such fiscal year or period. The Administrator is hereby authorized to provide by regulation that the return of an employer or employers, showing the amount of tax deducted by such employer or employers from the salaries, wages, commissions or other compensation of an employee, and paid by him or them to the Administrator, may be accepted as the return required of any employee whose sole income, subject to tax under this chapter, is such salary, wages, commissions or other compensation.

- (1) A questionnaire of taxable status must be filed with the Department of Taxation of the City by all residents of the City and all business entities doing business in the City within thirty days of the acquisition of legal residence in the City by such residents or within thirty days of the commencement of business activities within the City by such business entities.
- (2) All final and information returns and all taxes imposed by this chapter shall become due and payable immediately if the resident or business entity required to submit or pay such returns or taxes moves from the City or ceases doing business within the City.

(b) The return shall be filed with the Administrator on a form or forms furnished by or obtainable upon request from such Administrator setting forth:

- (1) A. The aggregate amount of salaries, wages, commissions and other compensation earned; and
- B. The gross income from a business, profession or other activity, less allowable expenses incurred in the acquisition of such gross income.



- C. Such income shall include only income earned during the year, or portion thereof, covered by the return and subject to the tax imposed by this chapter.
- (2) A. The amount of tax imposed by this chapter on income reported;  
B. Any credits to which the taxpayer may be entitled under the provisions of Sections 191.06, 191.07 and 191.15; and
- (3) Such other pertinent statements, information returns or other information as the Administrator may require.

(c) The Administrator may extend the time for filing of the annual return upon the request of the taxpayer for a period of not to exceed six months, or one month beyond any extension requested of or granted by the Internal Revenue Service for the filing of the Federal income tax return. The extension request may be made by filing a copy of the taxpayer's request for a federal filing extension, or by filing written request. The Administrator may deny the extension if the taxpayer's income tax account with the municipality is delinquent in any way. The Administrator may require a tentative return, accompanied by payment of the amount of tax shown to be due thereon by the date the return is normally due. No penalty or interest shall be assessed in those cases in which the return is filed and the final tax paid within the period as extended.

- (d) (1) The taxpayer making a return shall, at the time of the filing thereof, pay to the Administrator the balance of tax due, if any, after deducting:
    - A. The amount of the City income tax deducted or withheld at the source pursuant to Section 191.06;
    - B. Such portion of the tax as has been paid on declaration by the taxpayer pursuant to Section 191.07;
    - C. Any credit allowable under the provisions of Section 191.15.
  - (2) Should the return or the records of the Administrator indicate an overpayment of the tax to which the City is entitled under the provisions of this chapter, such overpayment shall first be applied against any existing liability and the balance, if any, at the election of the taxpayer shall be refunded or transferred against any subsequent liability unless amount exceeds estimated subsequent tax due for following year or resident has moved from the City during the tax year in question. However, overpayments of less than one dollar (\$1.00) shall not be refunded.
- (e) (1) Where necessary, an amended return must be filed in order to report additional income and pay any additional tax due, or claim a refund of tax overpaid, subject to the requirements and/or limitations contained in Section 191.11 and 191.15. Such amended returns shall be on a form obtainable on request from the Administrator. A taxpayer may not change the method of accounting or apportionment of net profits after the due date for filing the original return.

- (2) Within three months from the final determination of any Federal tax liability affecting the taxpayer's City tax liability, such taxpayer shall make and file an amended City return showing income subject to the City tax based upon such final determination of Federal tax liability, and pay additional tax shown due thereon or make claim for refund of any overpayment. Refund shall be transferred to subsequent liabilities unless amount exceeds estimated subsequent tax due for following year or resident has moved from the City during the tax year in question. (Ord. 39-05. Passed 4-26-05.)

#### 191.06 COLLECTION AT SOURCE.

- (a)
  - (1) Each employer within or doing business within the City who employs one or more persons on a salary, wage, commission or other compensation basis shall, at the time of payment thereof, deduct the tax of one percent from the gross salaries, wages, commissions or other compensation earned by City residents regardless of where such compensation was earned and shall deduct the tax of one percent from the salaries, wages, commissions or other compensation earned within the City by nonresidents.
  - (2) Notwithstanding the provisions of subparagraph (a)(1) hereof, where such employer employs a City resident in another taxing municipality requiring such employer to deduct its tax from all employees engaged therein, such employer shall with hold for and remit to the City only the difference, if any, between the tax imposed by such other taxing municipality and the tax imposed by this chapter.
  - (3) Each such employer shall, on or before the last day of the month following each calendar quarter, make a return and remit to the City the tax hereby required to be withheld. Such return shall be on a form or forms prescribed by or acceptable to the Administrator and shall be subject to the rules and regulations prescribed therefore by the Administrator. Such employer shall be liable for the payment of the tax required to be deducted and withheld whether or not such taxes have in fact been withheld.
  - (4) On or before January 31 following any calendar year such employer shall file with the Administrator an information return for each employee from whom the City income tax has been or should have been withheld, showing the name, address and social security number of the employee, the total amount of compensation paid during the year and the amount of the City income tax withheld from such employee.
- (b) Such employer in collecting such tax shall be deemed to hold the same, until payment is made by such employer to the City, as a trustee for the benefit of the City and any such tax collected by such employer from his employees shall, until the same is paid to the City, be deemed a trust fund in the hands of such employer.
- (c) The officer or employee having control or supervision of or charged with the responsibility of, filing the return and making the payment, shall be personally liable for failure to file the return or pay the tax due as required herein. The dissolution, bankruptcy or reorganization of any such employer does not discharge an officer's or employee's liability for a prior failure of such business to file a return or pay taxes due. (Ord. 19-07. Passed 2-27-07.)

**191.07 DECLARATIONS.**

(a) Every person who anticipates any taxable income which is not subject to Section 191.06, or who engages in any business, profession, enterprise or activity subject to the tax imposed by Section 191.03, may file a declaration setting forth such estimated income from the estimated profit or loss from such business activity together with the estimated tax due thereon, if any. However, if a person's income is wholly from wages from which the tax will be withheld and remitted to the City in accordance with Section 191.06, then such person need not file a declaration.

(b) Effective January 1, 2003, the Declaration of Estimated Tax to be paid by taxpayers who are individuals shall be accompanied by a payment of at least one-fourth (1/4) of the Declaration amount and at least a similar amount shall be paid on or before July 31<sup>st</sup> and October 31<sup>st</sup> of the taxable year, and January 31<sup>st</sup> of the following year.

(c) Effective January 1, 2003, such declaration of estimated tax to be paid to the municipality by corporations and associations shall be accompanied by a payment of at least one-fourth of the Declaration amount and at least a similar amount shall be paid on or before June 15<sup>th</sup>, September 15<sup>th</sup>, and December 15<sup>th</sup>. In the case of a fiscal year taxpayer the second, third, and fourth quarterly estimated payments shall be due on the fifteenth day of the sixth, ninth, and twelfth months of the taxable year, respectively.

- (d) (1) Such declaration shall be filed upon a form furnished by, or obtainable from, the Administrator. Credit shall be taken for the City income tax to be withheld, if any, from any portion of such income. In addition, credit may be taken for tax payable to other taxing municipalities in accordance with the provisions of Section 191.15.
- (2) The original declaration, or any subsequent amendment thereof, may be increased or decreased on or before any subsequent quarterly payment date as provided for herein.

(e) The taxpayer making the declaration shall, at the time of the filing thereof, pay to the Administrator at least one-fourth of the estimated annual tax due after deducting:

- (1) Any portion of such tax to be deducted or withheld at the source pursuant to Section 191.06;
- (2) Any credits allowable under the provisions of Section 191.15; and
- (3) Any overpayment of the previous year's tax liability which the taxpayer has not elected to have refunded. At least a similar amount shall be paid on or before the last day of the sixth, ninth and twelfth months after the beginning of the taxpayer's taxable year, provided that in case an amended declaration has been duly filed, or the taxpayer is taxable for a portion of the year only, the unpaid balance shall be paid in equal installments on or before the remaining payment dates.

(f) On or before the fifteenth day of the fourth month of the year following that for which such declaration or amended declaration was filed, an annual return shall be filed and any balance which may be due the City shall be paid therewith in accordance with the provisions of Section 191.05.

(g) No penalties or interest shall be assessed on estimated payments if the taxpayer has remitted an amount equal to one hundred percent of the actual liability by April 15<sup>th</sup> of the year following that for which such declaration was filed.  
(Ord. 39-05. Passed 4-26-05.)

#### 191.08 DUTIES OF THE ADMINISTRATOR.

- (a) (1) It shall be the duty of the Administrator to receive the tax imposed by this chapter in the manner prescribed herein from the taxpayers, to keep an accurate record thereof and to report all moneys so received.
- (2) It shall be the duty of the Administrator to enforce payment of all taxes owing the City, to keep accurate records for a minimum of five years showing the amount due from each taxpayer required to file a declaration and/or make any return, including taxes withheld, and to show the dates and amounts of payments thereof.

(b) The Administrator is hereby charged with the enforcement of the provisions of this chapter, and is hereby authorized, subject to the approval of the Board of Review, to adopt, promulgate and enforce rules and regulations relating to any matter or thing pertaining to the collection of taxes and the administration and enforcement of the provisions of this chapter, including provisions for the re-examination and correction of returns. The Administrator is authorized to arrange for the payment of unpaid taxes, interest and penalties on a schedule of installment payments when the taxpayer has proved to the Administrator that, due to certain hardship conditions, he is unable to pay the full amount of the tax due. Such authorization shall not be granted until proper returns are filed by the taxpayer for all amounts owed by him under this chapter. Failure to make any deferred payment when due shall cause the total unpaid amount, including penalty and interest, to become payable on demand and the provisions of Section 191.11 and 191.12 shall apply.

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

(d) Subject to the consent of the Board of Review or pursuant to regulation approved by the Board, the Administrator shall have the power to compromise any interest or penalty, or both, imposed by Section 191.10.  
(Ord. 39-05. Passed 4-26-05.)

#### 191.09 INVESTIGATIVE POWERS OF THE ADMINISTRATOR; DIVULGING CONFIDENTIAL INFORMATION.

(a) The Administrator, or any authorized employee, is hereby authorized to examine the books, papers, records and Federal income tax returns of any employer or any taxpayer or person subject to, or whom the Administrator believes is subject to, the provisions of this chapter, for the purpose of verifying the accuracy of any return made or, if no return was made, to ascertain the tax due under this chapter. Every such employer, supposed employer, taxpayer or supposed taxpayer is hereby directed and required to furnish upon written request by the Administrator, or his duly authorized agent or employee, the means, facilities and opportunity for making such examinations and investigations as are hereby authorized.

(b) The Administrator is hereby authorized to order any person presumed to have knowledge of the facts to appear before him and may examine such person, under oath, concerning any income which was or should have been returned for taxation, or any transaction tending to effect such income, and for this purpose may compel the production of books, papers, records and Federal income tax returns and the attendance of all persons before him, whether as parties or witnesses, whenever he believes such persons have knowledge of such income or information pertinent to such inquiry.

(c) The refusal to produce books, papers, records and Federal income tax returns, or the refusal to submit to such examination by any employer or person subject to or presumed to be subject to the tax or by any officer, agent or employee of a person subject to the tax or required to withhold tax or the failure of any person to comply with the provisions of this section or with an order or subpoena of the Administrator authorized hereby, shall be deemed a violation of this chapter, punishable as provided in Section 191.99.

(d) Any information gained as the result of any returns, investigations, hearings or verifications required or authorized by this chapter shall be confidential, except for official purposes, or except in accordance with proper judicial order. No person shall divulge such information.

(e) Every taxpayer shall retain all records necessary to compute his tax liability for a period of five years from the date his return is filed, or the withholding taxes are paid. (Ord. 39-05. Passed 4-26-05.)

#### 191.10 INTEREST AND PENALTIES.

(a) All taxes imposed and all moneys withheld or required to be withheld by employers under the provisions of this chapter and remaining unpaid after they become due shall bear interest at the rate of one and one-half percent (1-1/2%) per month or fraction thereof.

(b) In addition to interest as provided in subsection (a) hereof, penalties based on the unpaid tax are hereby imposed as follows:

- (1) For failure to pay taxes due, other than taxes withheld, one and one-half percent (1 1/2%) interest per month or fraction thereof for nonpayment in full of balance due or fifty dollars (\$50.00), whichever is greater.
- (2) For failure to remit taxes withheld from employees, five percent (5%) per month or fraction thereof.
- (3) For failure to file any return as required by ordinance by the date specified for such filing there shall be in addition to the penalty described in section (b)(1) above, there shall also be assessed a penalty which shall be in no event less than fifty dollars (\$50.00).
- (4) A ten percent (10%) charge on the balance not paid in full within sixty days of filing and an additional ten percent (10%) for each subsequent sixty day period on any unpaid balance.

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

(d) Upon recommendation of the Administrator, the Board of Review may abate penalty or interest, or both, and upon an appeal from the refusal of the Administrator to recommend abatement of penalty and interest, the Board may nevertheless abate penalty or interest, or both.  
(Ord. 39-05. Passed 4-26-05.)

#### 191.11 COLLECTION OF UNPAID TAXES AND REFUNDS OF OVERPAYMENTS.

(a) All taxes imposed by this chapter shall be collectible, together with any interest and penalties thereon, by suit, as other debts of like amount are recoverable. Except in the case of fraud, omission of a substantial portion of income subject to this tax or failure to file a return, an additional assessment shall not be made after three years from the time the return was due or filed, whichever is later. However, in those cases in which a Commissioner of Internal Revenue and the taxpayer have executed a waiver of the Federal statute of limitations, the period within which an additional assessment may be made by the Administrator shall be one year from the time of the final determination of the Federal tax liability.

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

(c) Amounts of less than one dollar (\$1.00) shall not be collected or refunded.  
(Ord. 39-05. Passed 4-26-05.)

#### 191.12 VIOLATIONS.

- (a) No person shall:
- (1) Fail, neglect or refuse to make any return or declaration required by this chapter;
  - (2) Make any incomplete, false or fraudulent return;
  - (3) Fail, neglect or refuse to pay the tax, penalties or interest imposed by this chapter;
  - (4) Fail, neglect or refuse to withhold the tax from his employees or remit such withholding to the Administrator;
  - (5) Refuse to permit the Administrator or any duly authorized agent or employee to examine his books, records, papers and Federal income tax returns relating to the income or net profits of a taxpayer;
  - (6) Fail to appear before the Administrator and to produce his books, records, papers or Federal income tax returns relating to the income or net profits of a taxpayer upon order or subpoena of the Administrator;
  - (7) Refuse to disclose to the Administrator any information with respect to the income or net profits of a taxpayer;

- (8) Fail to comply with the provisions of this chapter or any order or subpoena of the Administrator authorized hereby;
- (9) Give to an employer false information as to his true name, correct social security number and residence address, or fail to promptly notify an employer of any change in residence address and date thereof;
- (10) Fail to use ordinary diligence in maintaining proper records of employees' residence addresses, total wages paid and City tax withheld, or knowingly give the Administrator false information; or
- (11) Attempt to do anything whatever to avoid the payment of the whole or any part of the tax, penalties or interest imposed by this chapter.

(b) All prosecutions under this section must be commenced within the periods stipulated in Ohio R.C. 718.06.

(c) The failure of any employer or person to receive or procure a return, declaration or other required form shall not excuse him from making any information return, return or declaration, from filing such form or from paying the tax. (Ord. 39-05. Passed 4-26-05.)

#### 191.13 BOARD OF REVIEW.

(a) A Board of Review, consisting of a chairman and two other individuals, each to be appointed by the Mayor and approved by a majority of Council, is hereby created. The first three members of the Board shall be appointed in the following manner: one to serve for a term of one year, one to serve for a term of two years, and one to serve for a term of three years. At the expiration of each term of office set forth above, the succeeding member shall be appointed for a term of three years. A majority of the members of the Board shall constitute a quorum. The Board shall adopt its own procedural rules and shall keep a record of its transactions. Any hearing by the Board may be conducted privately and the provisions of Section 191.09 with reference to the confidential character of information required to be disclosed by this chapter shall apply to such matters as may be heard before the Board on appeal.

(b) All rules and regulations and amendments or changes thereto, which are adopted by the Administrator under the authority conferred by this chapter, must be approved by the Board of Review before the same become effective. The Board shall hear and pass on appeals from any ruling or decision of the Administrator and, at the request of the taxpayer or Administrator, is empowered to substitute alternate methods of allocation.

(c) Any person dissatisfied with any ruling or decision of the Administrator which is made under the authority conferred by this chapter may appeal there from to the Board within thirty days from the announcement of such ruling or decision by the Administrator provided the taxpayer making the appeal has filed with the municipality the required return or other documents concerning the obligation at issue. The appeal shall be in writing and shall state why the decision should be deemed incorrect or unlawful, and the Board shall, on hearing, have jurisdiction to affirm, reverse or modify any such ruling or decision, or any part thereof. Such hearing shall be scheduled within 45 days from the date of appeal. The Board's ruling must be made within 30 days from the date of the closing of the record, shall be in writing and filed with the Administrator, and within 15 days of its decision shall send notice of its decision by ordinary mail to the taxpayer making the appeal. For matters relating to tax years beginning on or after January 1, 2004, any ruling or decision of the Board of Review/Appeal may be appealed to a court of competent jurisdiction or to the State Board of Tax Appeals. (Ord. 39-05. Passed 4-26-05.)

**191.14 ALLOCATION OF FUNDS.**

(EDITOR'S NOTE: The allocation of funds collection pursuant to this chapter shall be as provided by Council from time to time. Please consult with the Finance Director for the current allocation formula.)

**191.15 RELIEF AND RECIPROCITY PROVISIONS.****(a) Residents of the City.**

- (1) When a resident of the City is subject to and has paid, or has acknowledged liability for, a municipal income tax in another municipality on the same income taxable under this chapter and such other municipality does not allow a credit to its non-residents, such City residents may claim a credit of fifty percent (50%) of the amount of such tax paid to such other municipality, but not in excess of fifty percent (50%) of the tax assessed by this chapter on the tax rate of one percent (1%) per year. No credit may be claimed on the portion of tax assessed on the tax rate in excess of one percent (1%) per year.
- (2)
  - A. When a resident of the City is subject to and has paid, or has acknowledged liability for, a municipal income tax in another municipality on the same income taxable under this chapter, and such other municipality allows a credit to its non-residents on the same basis as provided in subsection (b)(1) hereof, a credit shall be allowed against the City income tax in the lesser of fifty percent (50%) of the tax due under the ordinance of such other municipality or fifty percent (50%) of the tax due hereunder, but not to exceed fifty percent (50%) of the tax assessed on the tax rate of one percent (1%) per year.
  - B. If the tax due such other municipality has been paid to or withheld in such other municipality, a resident of the City may claim credit for and assign to the City, any Claim for refund to which he may be entitled from such other municipality. In the event an amount is not received by the City equal to such other credit claimed by reason of tax payments made to, or withheld in, such other municipality, then the taxpayer shall be liable to the City for an amount by which the claimed credit exceeds the amount recovered on such assignment by the City, together with penalty and interest. If satisfactory evidence is offered, however, that the taxpayer is entitled to the claim covered by the assignment, such taxpayer shall not be deprived of credit.
  - C. Assignment of any claim for refund to which a City resident may be entitled from another municipality shall be tentatively accepted as payment of that portion of City income tax represented by such assignment; provided, however, should an overpayment result from the credit allowed by reason of such assignment, no refund thereof shall be made until such assignment has been accepted for payment by such other municipality.



(b) Nonresidents of the City.

- (1) When a nonresident of the City is subject to the tax imposed by this chapter is also subject to tax on the same income in the municipality of his residence, a credit not to exceed twenty-five percent of the tax assessed by this chapter at the tax rate of one percent (1%) per year, or twenty-five percent (25%) of the tax due under the ordinance such other municipality, whichever is lesser, shall be allowed against the tax due under this chapter, provided:
- A. Such other municipality imposes on its residents a tax on the same income and reciprocal provision is made in the ordinance of such other municipality granting to nonresidents thereof a credit on the same basis as provided in subsection (b)(1) hereof against the tax levied thereby;
  - B. Such nonresident is subject to and has paid, or has acknowledged liability in the municipality of his residence for any tax due after such reciprocal credit is allowed; and
  - C. The municipality of his residence furnishes evidence of payment of tax therein or evidence of assignment by the taxpayer of his claim for reciprocal credit to such other municipality.
- (2) Any amount due a nonresident as a result of having overpaid the tax due the City or arising from allowance of the credit provided for herein may, under regulations adopted by the Administrator, be assigned to and paid to such other municipality.

(c) The credits provided for in subsections (a) and (b) hereof will not be allowed unless the same are claimed in a timely return or form acceptable to and filed with the Administrator. In the event a taxpayer fails, neglects or refuses to file such timely return or form he shall not be entitled to such credit and shall be liable for the full amount of tax assessed by this chapter, together with such interest and penalties, both civil and criminal, as are prescribed in this chapter.

(d) Any claim for credit for income taxes paid another municipality on the same income taxable hereunder, or claim for or assignment of any refund due to the credit provided for herein, must be filed with the Administrator on or before December 31 of the year following that for which such credit is claimed. However, in the event such claim for reciprocity refund shall have been assigned to the municipality of residence, such municipality of residence must file a claim for refund with the Administrator on or before January 31 next following such December 31. Failure to file such claim for reciprocity credit or refund, or assignment thereof, within the time prescribed herein shall render such credit, claim for refund or assignment null and void. (Ord. 39-05. Passed 4-26-05.)

191.16 SAVING CLAUSE.

If any sentence, clause, section or part of this chapter, or any tax against any individual or any of the several groups specified herein, is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall affect only such clause, sentence, section or part of this chapter and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or other parts of this chapter. It is hereby declared to be the intention of Council that this chapter would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein. (Ord. 39-05. Passed 4-26-05.)

**191.17 COLLECTION OF TAX AFTER TERMINATION OF THIS CHAPTER.**

(a) This chapter shall continue effective insofar as the levy of taxes is concerned until revoked and insofar as the collection of taxes levied hereunder and actions or proceedings for collecting any tax so levied or enforcing any provisions of this chapter are concerned, it shall continue effective until all of such taxes levied in the aforesaid period are fully paid and any and all suits and prosecutions for the collection of such taxes or for the punishment of violations of this chapter have been fully terminated, subject to the limitations contained in Sections 191.11 and 191.12.

(b) Annual returns due for all or any part of the last effective year of this chapter shall be due on the date provided in Sections 191.05 and 191.06 as though the same were continuing. (Ord. 39-05. Passed 4-26-05.)

**191.18 MISSTATEMENT OF RESIDENCE.**

(a) No resident of the City shall willfully misstate his City of residence for the purpose of avoiding payment of any tax, fee or other revenue producing item to the City.

(b) Nothing herein shall be in any way relieve any person of any obligation to pay any tax, fee or other revenue producing item in the City that is otherwise due and owing to the City. (Ord. 39-05. Passed 4-26-05.)

**191.99 PENALTY.**

(a) Whoever violates any of the provisions of this chapter shall be guilty of a misdemeanor of the first degree for each offense.

(b) In addition to the above penalty, any employee of the City who violates the provisions of Section 191.09 relative to the disclosure of confidential information shall be guilty of an offense punishable by immediate dismissal. (Ord. 39-05. Passed 4-26-05.)