

ORDINANCE NO. 246

INCOME TAX ORDINANCE

TABLE OF CONTENTS

1. Purpose
2. Definitions
3. Imposition of tax
4. Effective period
5. Return and Payment of tax
6. Collection at Source
7. Declarations
8. Duties of the administrator
9. Investigative powers of the administrator; penalty for divulging confidential information
10. Interest and penalties
11. Collection of unpaid taxes and refunds of over payments
12. Violations; penalties
13. Board of Review
14. Allocation of Funds
15. Credit for tax paid to another municipality
16. Saving clause
17. Collection of tax after termination of ordinance
18. Effective date

WHEREAS, it has come the attention of the Village of Fort Jennings, that levying a tax to provide funds for the purposes of general municipal operation, maintenance of equipment, extension, enlargement and improvement of municipal services and facilities and capital improvements, on all salaries, wages, commissions and other compensations earned by residents of this municipality; on all salaries, wages, commissions and other compensation earned by nonresidents of this municipality; for work done or services performed or rendered in this municipality; on the net profits earned on all businesses, professions or other activities conducted by residents of this municipality; on the net profits earned on all businesses, professions or other activities conducted in this municipality by nonresidents, and on the net profits earned by all corporations doing business in this municipality as the result of work done or services performed or rendered in this municipality; requiring the filing of returns and furnishing of information by employers and all those subject to said tax; imposing on employers the duty of collecting the tax at the source and paying the same to this municipality; providing for the administration, collection and enforcement of said tax; declaring violation thereof to be a misdemeanor and imposing penalties therefor.

NOW THEREFORE, BY IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF FORT JENNINGS, THAT:

1. Purpose

To provide funds for the purposes of street and sewer construction improvement, maintenance and repair; construction, remodeling or enlargement of public buildings and facilities; purchase and maintenance of new and additional equipment for the different departments, boards and offices of the Village; extension and enlargement of municipal services and facilities; capital improvements for recreation and parks; and any other capital improvements of this municipality there shall be, and is hereby levied, a tax on salaries, wages, commissions and other compensation, and on net profits as hereinafter provided.

2. Definitions

As used in this ordinance, 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.

Administrator--The individual designated by the ordinance, whether appointed or elected, to administer and enforce the provisions of the ordinance.

Association--A partnership, limited partnership, or any other form of unincorporated enterprise, owned by two or more persons.

Board of review--The board created by and constituted as provided in section 13 of this ordinance.

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

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

Employee--One who works for wages, salary, commission or other type of compensation in the service of an employer.

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

Fiscal year--An accounting period of twelve months or less ending on any day other than December 31.

Gross receipts--The total income from any source whatsoever.

Net profits--A net gain from the operation of a business, profession, enterprise or other activity after provision for all ordinary, reasonable and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes, without deduction of taxes imposed by this ordinance, federal, state, and other taxes based on income exclusive of the amount of Ohio franchise tax computed on the net worth basis; 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 ordinance.

Nonresident--An individual domiciled outside this municipality.

Nonresident unincorporated business entity--An unincorporated business entity not having an office or place of business within this municipality.

Person--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.

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

Resident--An individual domiciled in this municipality.

Resident unincorporated business entity--An unincorporated business entity having an office or place of business within this municipality.

Taxable income--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 the ordinance.

Taxable year--The calendar year, or the fiscal year upon the basis of which net profits are to be computed under this ordinance 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.

Taxpayer--A person, whether an individual, partnership, association, or any corporation or other entity, required hereunder to file a return or pay a tax.

Forms of words--The singular shall include the plural, and the masculine shall include the feminine and the neuter.

3. Imposition of tax

A. Subject to the provisions of § 16 of this ordinance, an annual tax for the purposes specified in No. 1 hereof shall be imposed on and after January 1, 2002 at the rate of one (1%) per annum upon the following:

1. On all salaries, wages, commissions and other compensation earned during the effective period of the ordinance by residents of this municipality.

2. On all salaries, wages, commissions and other compensation earned during the effective period of the ordinance by nonresidents for work done or services performed or rendered in this municipality.

3. (a) On the portion attributable to this municipality of the net profits earned during the effective period of this ordinance 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 this municipality.

(b) On the portion of the distributive share of the net profits earned during the effective period of this ordinance of a resident partner or owner of a resident unincorporated business entity not attributable to this municipality and not levied against such unincorporated business entity by this municipality.

4. (a) On the portion attributable to this municipality of the net profits earned during the effective period of this ordinance 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 this municipality, whether or not such unincorporated business entity has an office or place of business in this municipality.

(b) On the portion of the distributive share of the net profits earned during the effective period of this ordinance of a resident partner or owner of a nonresident unincorporated business entity not attributable to this municipality and not levied against such unincorporated business entity by this municipality.

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

6. A tax shall also be imposed on income in the hands of the entity or from a pass-through entity and not on income in the hands of the owner of the entity.

B. The portion of the net profits attributable to this municipality of a taxpayer conducting a business, profession or other activity both within and without the boundaries of this municipality shall be determined as provided in RC 718.02 and in accordance with the rules and regulations adopted by the Administrator pursuant to this ordinance and approved by adoption of a Resolution

approving same by a majority vote of the Village Council.

C. Operating loss carry-forward

1. The portion of a net operating loss sustained in any taxable year subsequent to January 1, 2002 allocable to this municipality may be applied against the portion of the profit of succeeding years allocable to this municipality, until exhausted but in no event for more than five taxable years. No portion of a net operating loss shall be carried back against net profits of any prior year.

2. The portion of a net operating loss sustained shall be allocated to this municipality in the same manner as provided herein for allocating net profits to this municipality.

3. The Administrator shall provide by rules and regulations the manner in which such net operating loss carry-forward shall be determined.

D. Consolidated returns

1. The Village will accept consolidated returns from an affiliated group of corporations if the affiliated group filed a consolidated return for federal income tax purposes for the same tax reporting period.

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 this municipality 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 this municipality. If the Administrator finds net profits are not properly allocated to this municipality 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 allocation of net profits to this municipality.

E. Exception

1. The tax provided for herein shall not be levied upon the 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 RC 718.01 to the extent such net profits are exempted from municipal income taxes under said section.

2. Village income tax does not apply to a parsonage allowance paid to a minister of the gospel in the form of a rental allowance **OR** the rental value of a home furnished as compensation.

3. Village income tax does not apply to compensation paid to an individual for personal services performed within a municipal corporation **IF**

a. the individual does not reside in the municipal corporation,

b. the individual performs such services in the municipal corporation on 12 or fewer days in a calendar year, **AND**

c. the individual is an employee and the principal place of business of the individual's employer is located outside the municipal corporation. The individual's employer is not required to include the individual's compensation in the payroll factor used to allocate the employer's income to the municipal corporation. In such case, the exemption does not apply to professional entertainers, professional athletes, or promoters of professional entertainment of sports events and their employees.

4. Effective period

The tax 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 on and after January 1, 2002.

5. Return and payment of tax

A. Each taxpayer, except as herein provided, shall, whether a tax be due thereon, make and file a return on or before April 30 of the year following the effective date of this ordinance, and on or before April 30 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 said employer or employers from the salaries, wages, commissions or other compensation of an employee, and paid by him or them to the Administrator shall be accepted unless otherwise specified as the return required of any employee whose sole income, subject to tax under this ordinance, is such salary, wages,

commissions, or other compensation.

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. The aggregate amounts of salaries, wages, commissions and other compensation earned and gross income from business, profession or other activity, less allowable ordinary, reasonable, and necessary expenses incurred in the acquisition of such gross income earned during the preceding year and subject to said tax;

2. The amount of the tax imposed by this ordinance on such earnings and profits; and

3. Such other pertinent statements, information returns, or other information as the Administrator may require.

C. A taxpayer who requests an extension (i.e., Forms 4868 and 7004) for filing a federal income tax return may request an extension for filing a Village income tax return by filing a copy of the request for a federal filing extension with the Administrator or his designee. The request must be filed no later than the last day for filing the Village income tax return and does not extend the date for paying the tax without penalty unless the municipal corporation grants an extension of that date.

The request will be granted for the same period as the federal extension.

The request may be denied by the Administrator if he finds that the taxpayer

- 1.) has not filed the request in time,
- 2.) failed to file a copy of the federal extension request,
- 3.) owes the Village any delinquent income tax, penalty, interest, assessment, or charge, **OR**
- 4.) has failed to file any required income tax return for a prior period.

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 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 amount of taxes shown as due thereon; provided, however, that where any portion of the tax so due shall have been deducted at the source pursuant to the provisions of No. 6 of this ordinance, or where any portion of said tax shall have been paid by the taxpayer pursuant to the provisions of No. 7 of this ordinance, or where an income tax has been paid to another municipality, credit for the amount so paid in accordance with No. 15 hereof, shall be deducted from the amount shown to be due and only the balance, if any, shall be due and payable at the time of filing said return.

2. A taxpayer who has overpaid the amount of tax to which this municipality is entitled under the provisions of this ordinance may have such overpayment applied against any subsequent liability hereunder or, at his election indicated on the return, such overpayment [or part thereof] shall be refunded, provided that no additional taxes or refunds of less than \$1 shall be collected or refunded.

E. 1. Amended returns: 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 Nos. 11 and 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 tax liability to this municipality, such taxpayer shall make and file an amended return showing income subject to the income tax of this municipality based upon such final determination of federal tax liability, and pay any additional tax shown due thereon or make claim for refund of any overpayment.

F. 1. Notwithstanding any other language contained herein, the Village will accept generic forms, reports, or documents of any forms, reports, or documents required to be filed pursuant to this chapter as long as they comply with the Village's rules or ordinances governing the filing of such returns, reports, or documents.

6. Collection at source

A. In accordance with rules and regulations prescribed by the Administrator, each employer within or doing business within this municipality shall deduct at the time of the payment of such

salary, wage, commission or other compensation, the tax of one (1%) of the gross salaries, wages, commissions or other compensation due by the employer to the employee or the tips or gratuities reported to the employer by each employee for social security or federal income tax purposes and shall on or before the last day of the month following the close of each calendar quarter make a return and pay to the Administrator the amount of taxes so deducted. The returns shall be on a form or forms prescribed by or acceptable to the Administrator and shall be subject to the rules and regulations prescribed therefor by the Administrator. Such employer shall be liable for the payment of the tax required to be deducted and withheld, whether such taxes have in fact been withheld.

B. Such employer in collecting the tax shall be deemed to hold the same, until payment is made by such employer to this municipality, as a trustee for the benefit of this municipality and any such tax collected by such employer from his employees, shall, until the same is paid to this municipality, be deemed a trust fund in the hands of such employer.

C. On or before April 30, July 31, October 31 and January 31 of each year beginning with the year 2002, each employer shall file a withholding return setting forth the names and addresses of all employees from whose compensation the tax was withheld during the preceding calendar period and the amount of tax withheld from his employees and such other information as may be required by the Administrator. The employer shall also remit the tax withheld at the time of filing said form. All payments not subject to withholding shall be reported on a form required by the Administrator.

D. The tax Administrator for good cause may require immediate returns and payments to be submitted to his office.

7. Declarations

A. Every person who anticipates any taxable income which is not subject to No. 6 hereof, or who engages in any business, profession, enterprise or activity subject to the tax imposed by No. 3 hereof shall file a declaration setting forth such estimated income or the estimated profit or loss from such business activity together with the estimated tax due thereon, if any; provided, however, if a person's income is wholly from wages from which the tax will be withheld and remitted to this municipality in accordance with No. 6 hereof, such person need not file a declaration.

B. The declaration of estimated tax by an individual must be accompanied by the payment of the estimated tax pursuant to the following schedule:

1. Not more than **22.5%** of the taxpayer's estimated tax liability for the current year may be required to be remitted on or before April 30 or the day on which the annual tax return for the prior year is required to be filed, disregarding an extension;

2. Not more than **45%** of the taxpayer's estimated tax liability for the current year must be remitted on or before July 31;

3. Not more than **67.5%** of the estimated tax liability must be remitted on or before October 31; and

4. Not more than **90%** of the estimated tax liability must be remitted on or before January 31.

C. The declaration of estimated tax by an entity shall be accompanied by the payment of the estimated tax pursuant to the following schedule:

1. **22.5%** on or before the day on which the prior year's annual tax return was required to be filed, disregarding any extension, or, in the case of a fiscal year taxpayer, the 15th day of the fourth month of the taxpayer's taxable year;

2. **45%** on or before June 15 or, in the case of a fiscal year taxpayer, the 15th day of the sixth month of the taxpayer's taxable year;

3. **67.5%** on or before September 15 or, for a fiscal year taxpayer, the 15th day of the ninth month of the taxable year; and

4. **90%** on or before December 15 or, for a fiscal year taxpayer, the 15th day of the 12th month of the taxable year.

D. 1. Such declaration shall be filed upon a form furnished by, or obtainable from, the Administrator, provided, however, credit shall be taken for this municipality's income tax to be withheld from any portion of such income. In accordance with the provisions of No. 15 hereof, credit may be taken for tax to be paid to or to be withheld and remitted to another taxing municipality.

2. The original declaration or any subsequent amendment thereof may be increased or

decreased on or before any subsequent quarterly payment date and provided for herein.

E. On or before the last 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 this municipality shall be paid therewith in accordance with the provisions of No. 5 hereof.

F. EXEMPTION

A taxpayer who will owe One Hundred and 00\100 Dollars (\$100.00) or less at the end of any taxable year shall not be liable for the payment of estimated tax pursuant to this Section.

8. Duties of the administrator

A. 1. It shall be the duty of the Administrator or his designee, which designee shall serve only upon the majority vote for a Resolution designating same by the Village Counsel to receive the tax imposed by this ordinance in the manner prescribed herein from the taxpayers; to keep an accurate record thereof; and to report all monies so received.

2. It shall be the duty of the Administrator to enforce payment of all taxes owing this municipality, 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. Said Administrator is hereby charged with the enforcement of the provisions of this ordinance, and is hereby empowered, subject to the approval of the Board of Review, to adopt and promulgate and to enforce rules and regulations relating to any matter or thing pertaining to the collection of taxes and the administration and enforcement of the provisions of this ordinance, 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 the ordinance.

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 Nos. 11 and 12 of the ordinance 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 this municipality 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 No. 10 of this ordinance.

9. Investigative powers of the administrator; penalty for divulging confidential information

A. The Administrator, or any authorized designee, is hereby authorized to examine the books, papers, records and federal income tax returns of any employer or of any taxpayer or person subject to, or whom the Administrator believes is subject to the provisions of this ordinance, for the purpose of verifying the accuracy of any return made, or, if no return was made, to ascertain the tax due under this ordinance. 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 reported for taxation or any transaction tending to affect such

income, and for this purpose may compel the production of books, papers, records, and federal income tax returns and the attendance of all persons before him, whether as parties or witnesses, whenever he believes such persons have knowledge of such income or information pertinent to such inquiry.

C. The refusal to produce books, papers, records and federal income tax returns, or the refusal to submit to such examination by any employer or person subject or presumed to be subject to the tax or by any officer, agent or employee of a person subject to the tax or required to withhold tax or the failure of any person to comply with the provisions of this section or with an order or subpoena of the Administrator authorized hereby shall be deemed a violation of this ordinance, punishable as provided in No. 12 hereof.

D. Any information gained as a result of any returns, investigations, verifications or hearings before the Administrator, required by the ordinance or authorized by these rules and regulations, shall be confidential and no disclosure thereof shall be made except for official purposes or as ordered by a court of competent jurisdiction. Any person divulging such information shall be guilty of a misdemeanor punishable by a maximum fine of \$500 or imprisonment for not more than six months, or both. Each disclosure shall constitute a separate offense.

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

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.

10. Interest and penalties

A. All taxes imposed and all monies withheld or required to be withheld by employers under the provisions of this ordinance and remaining unpaid after they become due shall bear interest at the rate of one-half of one per cent per month or fraction thereof.

B. In addition to interest as provided in paragraph 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 per cent per month or fraction thereof.
2. For failure to remit taxes withheld from employees; five per cent per month or fraction thereof.

C. Exceptions. 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; and provided further, that, in the absence of fraud, neither penalty nor interest shall be assessed on any additional tax assessment resulting from a federal audit, providing an amended return is filed and the additional tax is paid within three 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, of upon an appeal from the refusal of the Administrator to recommend abatement of penalty and/or interest, the Board may nevertheless abate penalty or interest, or both.

11. Collection of unpaid taxes and refunds of overpayments

A. All taxes imposed by this ordinance shall be collectible, together with any interest and penalties thereon, by a civil action at law. All additional assessments shall be made and all civil actions to recover municipal income taxes and penalties and interest thereon shall be brought within three years after the tax was due or the return was filed, whichever is later.

B. Taxes erroneously paid shall not be refunded unless a claim for a refund is made. Claims for refund of municipal income taxes must be brought within the time limitation provided in Division A of this section.

C. Amounts of less than \$1 shall not be collected or refunded.

12. Violations; penalties

A. Any person who shall:

1. Fail, neglect or refuse to make any return or declaration required by this ordinance; or
2. Make any incomplete, false or fraudulent return; or
3. Willfully fail, neglect or refuse to pay the tax, penalties or interest imposed by this ordinance; or
4. Willfully fail, neglect or refuse to withhold the tax from his employees or remit such withholding to the Administrator; or
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; or
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; or
7. Refuse to disclose to the Administrator any information with respect to the income or net profits of a taxpayer; or
8. Fail to comply with the provisions of this ordinance or any order or subpoena of the Administrator authorized hereby; or
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; or
10. Fail to use ordinary diligence in maintaining proper records of employees' residence addresses, total wages paid and this municipality's income tax withheld, or to knowingly give the Administrator false information; or
11. Attempt to do anything whatsoever to avoid the payment of the whole or any part of the tax, penalties or interest imposed by this ordinance;

Shall be guilty of a misdemeanor and shall be fined not more than \$500 or imprisoned not more than six months or both for each offense.

B. Prosecution for an offense made punishable under this section or any other provision of this ordinance shall be commenced within three years after the commission of the offense, provided that in the case of fraud, failure to file a return, or the omission of twenty-five per cent or more of income required to be reported, prosecutions may be commenced within six years after the commission of the offense.

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.

13. Board of Review

A. A Board of Review, consisting of the Village Solicitor, one member of the Village Counsel appointed by the Mayor and one citizen of the Village, all of whom shall not be in any business relationship together which may affect the decision making process of the Board, is hereby created. 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 § 9 hereof with reference to the confidential character of information required to be disclosed by the ordinance 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 ordinance, 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 ordinance may appeal therefrom in writing addressed to the Administrator and presented to the Administrator setting forth the facts the taxpayer would like the Board of Review to consider in making a determination regarding the ruling or decision of the Administrator. Said appeal must be filed with the Administrator within ninety days from the announcement of such ruling or decision by the Administrator and the Board of Review shall, on hearing within sixty (60) days of receiving said written appeal, have jurisdiction to affirm, reverse or modify any such ruling or decision or any part thereof.

14. Allocation of funds

A. The funds collected under the provisions of this Ordinance shall be applied for the following purposes and in the following order, to-wit:

(a) Such part thereof as shall be necessary to adequately fund the Income Tax Rebate Fund and to defray all costs of collecting the tax and administering and enforcing the provisions thereof.

(b) The balance of funds collected under the provisions of this chapter, or such part thereof, as may be appropriated by Council, shall be paid as follows:

Street and Sewer Construction improvement, maintenance and repair; construction, remodeling or enlargement of public buildings and facilities; purchase and maintenance of new and additional equipment for the different departments, boards and offices of the Village; extension and enlargement of municipal services and facilities; capital improvements for recreation and parks; and any other capital improvements; retirement of notes and bonded indebtedness. However, no withdrawal from the balance can be made without a resolution from Council

15. Credit for tax paid to another municipality

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

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

C. A claim for refund or credit under this section shall be made in such manner as the Administrator may by regulation provide.

D. Taxpayers domiciled in the Village and subject to tax that applies to income from a pass-through entity are granted a credit for taxes paid to another municipality by the pass-through entity that does not conduct business in the municipality. The credit amount is the lesser of

1. the amount of tax paid by the pass-through entity to another municipal corporation in Ohio, apportioned according to the ownership interest of the taxpayer; or

2. the amount of tax that would be imposed on the pass-through entity by the municipality in which the taxpayer is domiciled if the entity conducted business in that municipality, apportioned according to the ownership interest of the taxpayer. If a municipality grants a credit for a percentage of the amount of income taxes paid in compensation by an individual who resides or is domiciled in the municipality, the amount of credit is multiplied by that percentage.

16. Saving clause

If any sentence, clause, section or part of this ordinance, 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 ordinance and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or other parts of this ordinance. It is hereby declared to be the intention of the Council of this municipality that this ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

17. Collection of tax after termination of ordinance

A. This ordinance shall continue effective insofar as the levy of taxes is concerned until repealed, 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 ordinance are concerned, it shall continue effective until all of said taxes levied hereunder are fully paid and any and all suits and prosecutions for the collection of said taxes or for the punishment of violations of this ordinance shall have been fully terminated, subject to the limitations contained in Nos. 11 and 12 hereof.

B. Annual returns due for all or any part of the last effective year of this ordinance shall be due on the date provided in Nos. 5 and 6 of this ordinance as though the same were continuing.

18. Effective date with no emergency clause

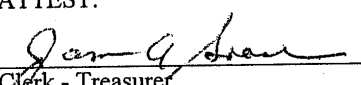
This ordinance shall take effect and be in force from and after the earliest period allowed by law.

Approved this 11th day of December, 2001.



Mayor

ATTEST:



Clerk - Treasurer