

VILLAGE OF MINERAL CITY

INCOME TAX ORDINANCE

- SECTION 1. Purpose
- SECTION 2. Definitions
- SECTION 3. Imposition of Tax
- SECTION 4. Effective Period
- SECTION 5. Return and Payment of Tax
- SECTION 6. Collection at Source
- SECTION 7. Declarations
- SECTION 8. Duties of the Administrator
- SECTION 9. Investigative powers of the Administrator;
Penalty for divulging confidential information
- SECTION 10. Interest and Penalties
- SECTION 11. Collection of unpaid taxes and refunds of overpayments
- SECTION 12. Violations; Penalties
- SECTION 13. Board of Review
- SECTION 14. Allocation of Funds
- SECTION 15. Credit for tax paid to another municipality
- SECTION 16. Saving Clause

ORDINANCE NO. _____

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 the Village of Mineral City, Ohio; on all salaries, wages, commissions and other compensation earned by nonresidents of the Village of Mineral City for work done or services performed or rendered in the Village of Mineral City; on the net profits earned on all businesses, professions or other activities conducted by residents of the Village of Mineral City; on the net profits earned on all businesses, professions or other activities conducted in the Village of Mineral City by nonresidents, and on the net profits earned by all corporations doing business in the Village of Mineral City as the result of work done or services rendered in the Village of Mineral City; 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 the Village of Mineral City; providing for the administration, collection and enforcement of said tax; declaring violation thereof to be a misdemeanor and imposing penalties therefor.

BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF MINERAL CITY, OHIO THAT:

SECTION 1. Purpose

To provide funds for the purposes of general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements of the Village of Mineral City there shall be, and is hereby, levied a tax on salaries, wages, commissions and other compensations, and on net profits as hereinafter provided.

SECTION 2. Definitions

As used in this ordinance, the following words shall have the meaning ascribed to them in this Section 2, 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.

Assignment -- The assignment made by a resident of the Village of Mineral City of claim for refund due from another taxing municipality granting credit to nonresidents there of.

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. The ordinary administration of a decedent's estate by the executor or administrator, and the mere custody, supervision and management of trust property under passive trust, whether inter vivos or testamentary, unaccompanied by the actual operation of a business as herein defined shall not be construed as the operation of a business.

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 types 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 (12) 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 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; and in the case of an association, without deduction of salaries paid to partners, and other owners; and other wise adjusted to the requirements of this ordinance.

Nonresident -- An individual domiciled outside of the Village of Mineral City.

Nonresident unincorporated business entity -- An unincorporated business entity not having an office or place of business within the Village of Mineral City.

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.

Reciprocity Credit -- 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 50% of the lesser of the two rates.

Resident -- An individual domiciled in the Village of Mineral City.

Resident unincorporated business entity -- An unincorporated business entity having an office or place of business within the Village of Mineral City.

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 the 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.

Taxing Municipality -- Any municipal corporation levying a municipal income tax on salaries, wages, commissions and other compensation earned by individuals, and on the net profits earned from the operation of a business, profession and or other activity.

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

The singular shall include the plural, and the masculine shall include the feminine and the neuter.

SECTION 3. Imposition of Tax

A. Basis of Imposition

Subject to the provisions of Section 16 of this ordinance, an annual tax for the purposes specified in Section 1 hereof shall be imposed on and after the 1st day of January, 1973 at the rate of 1% per annum upon the following:

1. Resident individuals

On all salaries, wages, commissions and other compensation earned during the effective period of the ordinance by the residents of the Village of Mineral City.

2. Nonresident individuals

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

3. Resident unincorporated businesses

(a) On the portion attributable to the Village of Mineral City 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 the Village of Mineral City.

(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 the Village of Mineral City and not levied against such unincorporated business entity. Provided, however, that 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 15 hereof.

4. Nonresident unincorporated business

(a) On the portion attributable to the Village of Mineral City 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 the Village of Mineral City, whether or not such unincorporated business entity has an office or place of business in the Village of Mineral City.

(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 the Village of Mineral City and not levied against such unincorporated business entity. Provided, however, that 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 15 hereof.

5. Corporations

On the portion attributable to the Village of Mineral City 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 the Village of Mineral City, whether or not such corporations have an office or place of business in Mineral City.

B. Allocation formula

The portion of the net profits attributable to the Village of Mineral City of a taxpayer conducting a business, profession or other activity both within and without boundaries of Mineral City 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.

C. Operating loss carry forward

1. The portion of a net operating loss sustained in any taxable year subsequent to the 1st day of January, 1972 allocable to the Village of Mineral City may be applied against the portion of the profit of succeeding years allocable to Mineral City, until exhausted but in no event for more than five (5) 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 the Village of Mineral City in the same manner as provided herein for allocating net profits to Mineral City.

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. 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 carried on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates, or some other method; or in case any person operated a division branch, factory, office, laboratory or activity within the Village of Mineral 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 in Mineral City. If the Administrator finds net profits are not properly allocated to Mineral 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 allocation of net profits to the Village of Mineral City.

K. Exceptions

The tax provided for herein shall not be levied upon the military pay or allowance 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 that such net profits are exempted from municipal income taxes under said section.

SECTION 4. Effective period

Said 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 from the 1st day of January, 1973.

SECTION 5. Return and payment of tax

A. Dates; exemption

Each taxpayer, except as herein provided, shall, whether or not a tax be due thereon, make and file a return on or before April 30th 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 (4) months from the end of such fiscal year or period. The Administrator is hereby authorized to provide regulations 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 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. Returns and content thereof

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 ordinance;

2. a. The amount of tax imposed by this ordinance on income reported;

b. Any credits to which the taxpayer may be entitled under the provisions of Sections 6, 7 and 15 of this ordinance; and

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

C. Extensions

The administrator may extend the time for filing of the annual return upon the request of the taxpayer for a period not to exceed six (6) months, or one (1) month beyond any extension requested of or granted by the Internal Revenue Service for the filing of the Federal Income Tax Return. 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. Payment with returns

The taxpayer making a return shall, at the time of filing thereof, pay to the Administrator the balance of tax due, if any, after deducting:

a. The amount of the Village income tax deducted or withheld at the source pursuant to Section 6 hereof;

b. Such portion of the tax as has been paid on declaration by the tax payer pursuant to Section 7 hereof;

c. Any credit allowable under the provisions of Section 15 hereof.

2. Should the return, or the records of the Administrator, indicate an overpayment of the tax to which the Village of Mineral City is entitled under the provisions of this ordinance, such overpayment shall first be applied against any existing liability and the balance, if any, at the election of the taxpayer communicated to the Administrator, shall be refunded or transferred against any subsequent liability. Provided, however, that overpayments of less than one dollar (\$1.00) shall not be refunded.

E. Amended Returns

1. Where necessary an amended return must be filed in order to report additional income and pay any additional income and pay any additional tax due, or claim a refund of tax overpaid, subject to the requirements and/or limitations contained in Sections 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 (3) months from the final determination of any federal tax liability affecting the taxpayer's of the Village of Mineral City tax liability, such taxpayer shall make and file an amended Village of Mineral City return showing income subject to the Village of Mineral City tax 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.

SECTION 6. Collection at source

A. 1. Each employer within or doing business within the Village of Mineral 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 per cent (1%) from the gross salaries, wages, commissions or other compensation earned by the Village of Mineral City residents regardless of where such compensation was earned and shall deduct the tax of one per cent (1%) from the salaries, wages, commissions or other compensation earned within the Village of Mineral City by non-residents;

2. Notwithstanding the provisions of paragraph A-1 of this Section 6, where such employer employs a Village of Mineral City resident in another taxing municipality requiring such employer to deduct its tax from all employees engaged therein, such employer shall withhold for and remit to the Village of Mineral City only the difference, if any, between the tax imposed by such other taxing municipality and the tax imposed by this ordinance;

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 Village of Mineral 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 therefor 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 the 31st day of January following any calendar year such employer shall file with the Administrator an information return for such employee for whom the Village of Mineral 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 Village of Mineral City income tax withheld from such employee.

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

C. On or before April 30th of each year beginning with the year 1974, 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 year and the amount of tax withheld from his employees and such other information as may be required by the Administrator.

SECTION 7. Declarations

A. Requirements for filing
Every person who anticipates any taxable income which is not subject to Section 6 hereof, or who engages in any business, profession, enterprise or other activity subject to the tax imposed by Section 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 the Village of Mineral City in accordance with Section 6 hereof, such person need not file a declaration.

B.1. Calendar dates for filing
Such declaration shall be filed on or before April 30th of each year during the life of this ordinance, or within four (4) months of the date the taxpayer becomes subject to tax for the first time.

2. Fiscal dates for filing
Those taxpayers reporting on a fiscal year basis shall file a declaration within four (4) months after the beginning of each fiscal year or period.

C.1. Such declaration shall be filed upon a form furnished by, or obtainable from, the Administrator. Credit shall be taken for Village of Mineral 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 15 hereof.

2. Amended declarations
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.

D. The taxpayer making the declaration shall, at the time of the filing thereof, pay to the Administrator at least one-fourth ($\frac{1}{4}$) 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 6 hereof;
2. Any credits allowable under the provisions of Section 15 hereof;
3. Any overpayment of previous year's tax liability which 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 month after the beginning of 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.

E. Annual return required

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 the Village of Mineral City shall be paid therewith in accordance with the provisions of Section 5 hereof.

SECTION 8. Duties of the Administrator

A. 1. Collection responsibility

It shall be the duty of the Tax Administrator of the Village of Mineral City 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. Responsibility for maintenance of records

It shall be the duty of the Administrator to enforce payment of all taxes owing the Village of Mineral City, to keep accurate records for a minimum of five (5) 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. Enforcement authority

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 reexamination 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 Section 11 and 12 of the ordinance shall apply.

C. Determination of taxes

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 Village of Mineral 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. Compromise authority

Subject to the consent of the Board of Review or pursuant to regulation approved by said Board, the Administrator shall have the power to compromise any interest or penalty, or both, imposed by Section 10 of this ordinance.

SECTION 9. Investigative power of the Administrator;
penalty for divulging confidential information

A. Examination of Taxpayer's records

The Administrator, or any authorized employee, 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. Appearance orders to taxpayers

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 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. Result of refusal to submit information

The refusal to produce books, papers, records and federal income tax returns, or the refusal to submit to such examination by any employer or employee of a person, to

comply with the provisions of this Section 9 or with an order or subpoena of the Administrator authorized hereby shall be deemed a violation of this ordinance, punishable as provided in Section 12 hereof.

- D. Confidential nature of information
Any information gained as the result of any returns, investigations, hearings or verifications required or authorized by this ordinance shall be confidential, except for official purposes, or except in accordance with proper judicial order. Any person divulging such information in violation of this ordinance shall upon conviction thereof, be deemed guilty of a misdemeanor and shall be subject to a fine or penalty of not more than five-hundred dollars (\$500.00) or imprisoned for not more than six (6) months, or both. Each disclosure shall constitute a separate offense.

In addition to the above penalty, any employee of the Village of Mineral City who violates the provisions of this Section 9 relative to the disclosure of confidential information shall be guilty of an offense punishable by immediate dismissal.

- E. Retention of records
Every taxpayer shall retain all records necessary to compute his tax liability for a period of five (5) years from the date his return is filed, or withholding taxes are paid.

SECTION 10. Interest and penalties

- A. Interest
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 percent ($\frac{1}{2}\%$) per month or fraction thereof.
- B. Penalties
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-half percent ($\frac{1}{2}\%$) per month or fraction thereof.
 2. For failure to remit taxes withheld from employees: Three percent (3%) per month or fraction thereof.
- C. Exemptions
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 (3) months after final determination of federal tax liability.

D. Abatement by Board of Review

Upon recommendation of the Administrator, the Board of Review may abate penalty or interest, or both, or 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.

SECTION 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 (3) 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 subsection A of this Section.
- C. Amounts of less than one dollar (\$1.00) shall not be collected or refunded.

SECTION 12. Violations; penalties

A. Enumeration of, and penalties
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. Fail, neglect or refuse to pay the tax, penalties or interest imposed by this ordinance; or
4. 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;
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 an 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 Village of Mineral City tax withheld, or to 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 ordinance.

Shall be guilty of a misdemeanor and shall be fined not more than five-hundred dollars (\$500.00) or imprisoned not more than six (6) months or both, for each offense.

B. Prosecutions

Prosecutions under the ordinance shall be commenced within three (3) 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 (25%) or more of the income required to be reported, prosecutions may be commenced within six (6) years after the commission of the offense.

C. Failure to obtain forms not a defense

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.

SECTION 13. Board of Review

A. Composition and procedures

A Board of Review, consisting of a chairman, and two other individuals each to be appointed by the chief executive officer of the Village of Mineral City, 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 Section 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. Appeals; alternative method of allocation

All rules and regulations and amendments of 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. Time limitation for appeals; authority over
Administrator's decision

Any person dissatisfied with any ruling or decision of the Administrator which is made under the authority conferred by this ordinance may appeal therefrom to the Board of Review within thirty (30) days from the announcement of such ruling or decision by the Administrator, and the Board shall, on hearing, have jurisdiction to affirm, reverse or modify any such ruling or decision, or any part thereof.

SECTION 14. Allocation of funds

The funds collected under the provisions of this ordinance shall be deposited in the income tax fund and shall be dispersed in the following manner, to wit:

1. Such part thereof as shall be necessary to defray all costs of collecting the taxes and the costs of administering and enforcing the provisions thereof.
2. Not more than sixty per cent (60%) of the net available income tax receipts received annually may be used to defray operating expenses of the Village.
3. At least forty per cent (40%) of the net available income tax receipts received annually shall be set aside and used for capital improvements for the Village including, but not limited to, development and construction of storm sewers and street improvements; for public buildings, parks and playgrounds; and for equipment necessary for the police, fire, street, traffic and safety departments.

SECTION 15. Credit for tax paid to another municipality

It is the intent of this Section 15 that a taxpayer, subject to tax in more than one municipality on the same income, who has complied with the provisions hereof shall not be required by this ordinance to pay to total municipal income tax on such income greater than the tax imposed at the higher rate.

Accordingly, notwithstanding any other provisions of this ordinance,

A. Residents of the Village of Mineral City

1. When a resident of the Village of Mineral City is subject to and has paid, or has acknowledged liability for, a municipal income tax in another municipality on the same taxable under this ordinance and such other municipality does not allow a credit to its nonresidents, such Village of Mineral City resident may claim a credit of the amount of such tax paid to such other municipality, but not in excess of the tax assessed by this ordinance.

2. a. When a resident of the Village of Mineral 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 ordinance, and such other municipality

allows a credit to its nonresidents on the same basis as provided in paragraph B-1 of this Section 15, a credit shall be allowed against the Village of Mineral City income tax of fifty per cent (50%) of the tax due hereunder or fifty per cent (50%) of the tax due under the ordinance of such other municipality, whichever is the lesser.

b. If the tax due such other municipality has been paid to or withheld in such other municipality, a resident of the Village of Mineral City may claim credit for and assign to the Village of Mineral City any claim or refund to which he may be entitled from such other municipality. In the event an amount is not received by the Village of Mineral City equal to such credit claimed by reason of tax payments made to, or withheld in, such other municipality, then the taxpayer shall be liable to the Village of Mineral City for an amount by which the claimed credit exceeds the amount recovered on such assignment by the Village of Mineral 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 therefor because of fault or neglect on the part of either municipality.

c. Assignment of any claim for refund to which a Village of Mineral City resident may be entitled from another municipality shall be tentatively accepted as payment of that portion of Village of Mineral 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 Village of Mineral City

1. When a nonresident of the Village of Mineral City is subject to the tax imposed by this ordinance and is also subject to tax on the same income in the municipality of his residence, a credit of fifty per cent (50%) of the tax due under this ordinance or fifty per cent (50%) of the tax due under the ordinance of such other municipality, whichever is the lesser, shall be allowed against the tax due under this ordinance, provided:

a. Such other municipality imposed 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 paragraph B-1 of this Section 15 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 furnished 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 Village of Mineral City or arising from allowance of 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 paragraphs A and B of this Section 15 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 ordinance, together with such interest and penalties, both civil and criminal, as are prescribed in the ordinance.

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 of the Village of Mineral City on or before December 31 of the year following that for which such credit is claimed. Provided, 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 of the Village of Mineral City 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 times prescribed herein shall render such credit for refund, or assignment, null and void.

SECTION 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 the Village of Mineral City that this ordinance would have been adopted and such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

N O T I C E

Please take Notice that on February 26, 1973, Mineral City Ordinance No. 541 amended the basic Income Tax Ordinance by applying the income tax of one per cent (1%) per annum on net income from all rental property. Ordinance No. 541 also exempted all persons under eighteen (18) years of age from being taxed under the basic Income Tax Ordinance.

1-37-1-5 THE COL. & S. MFG. CO.

2808-A

Ordinance No. 541 Passed February 26, 1973

AN ORDINANCE AMENDING VILLAGE ORDINANCE NO. 537
RELATING TO THE VILLAGE INCOME TAX.

BE IT ORDAINED by the Council of the Village of Mineral City,
State of Ohio, that:

SECTION 1: Section 3 of Village Ordinance No. 537, passed
December 11, 1973, is hereby amended to read as follows:

SECTION 3. Imposition of Tax.

A. Basis of Imposition. Subject to the provisions of Section 16 of this ordinance, an
annual tax for the purposes specified in Section 1 hereof shall
be imposed on and after the 1st day of January, 1973, at the
rate of 1% per annum upon the followings:

1. Resident Individuals

on all salaries, wages, commissions and other compensation
earned during the effective period of the ordinance by the
residents of the Village of Mineral City.

2. Nonresident Individuals

On all salaries, wages, commissions and other compensation
earned during the effective period of the ordinance by non-
residents for work done or services rendered or performed in
the Village of Mineral City.

3. Resident unincorporated businesses

a. On the portion attributable to the Village of Mineral City
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 the Village of Mineral City.

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 the Village of Mineral City and not
levied against such unincorporated business entity. Provided,
however, that 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 15 hereof.

4. Nonresident unincorporated business

a. On the portion attributable to the Village of Mineral
City 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 the Village of Mineral City, whether
or not such unincorporated business entity has an office or
place of business in the Village of Mineral City.

b. On the portion of the distributive share of the net profits
earned during the effective period of this ordinance of a resi-
dent partner or owner of a nonresident unincorporated business
entity not attributable to the Village of Mineral City and not
levied against such unincorporated business entity. Provided,
however, that 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 15 hereof.

5. Corporations

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

6. Resident individuals, nonresident individuals, resident
unincorporated businesses, nonresident unincorporated businesses,
and corporations shall be liable for the herein annual tax of
1% per annum upon all net rents for real estate, buildings,
houses, or apartments.

7. Persons under the age of 18 years shall be exempt from
the impositions of the herein tax.

Ordinance No. 541 con't. Passed February 26 1973

B. Allocation formula

The portion of the net profits attributable to the Village of Mineral City of a taxpayer conducting a business, profession or other activity both within and without boundaries of Mineral City 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.

C. Operating loss carry forward

1. The portion of a net operating loss sustained in any taxable year subsequent to the 1st day of January, 1972, allocable to the Village of Mineral City may be applied against the portion of the profit of succeeding years allocable to Mineral City, until exhausted but in no event for more than five (5) 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 the Village of Mineral City in the same manner as provided herein for allocating net profits to Mineral City.

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. 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 carried on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates, or some other method, or in case any person operated a division, branch, factory, office, laboratory or activity within the Village of Mineral 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 in Mineral City. If the Administrator finds net profits are not properly allocated to Mineral 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 allocations as he deems appropriate to produce a fair and proper allocation of net profits to the Village of Mineral City.

E. Exceptions

The tax provided for herein shall not be levied upon the military pay or allowance 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 that such net profits are exempted from municipal income taxes under said section

SECTION 2: Existing Section No. 3 as enacted by Ordinance No. 537, passed December 11, 1972, is hereby repealed.

ENACTED this 26 day of February, 1973.

ATTEST: Donna Wise, Clerk

Alva J. McClelland, Mayor

APPROVED AS TO FORM: E. K. Wright, Solicitor

I hereby certify that the foregoing legislation has been posted in the Village of Mineral City, Ohio in accordance with the Ohio Revised Code Section 731.25(a) during the period February 26 through March 1973.