

VILLAGE OF TONTOGANY

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 compensation earned by residents of the village of Tontogany on all salaries, wages, commissions and other compensation earned by non-residents of the village of Tontogany for work done or services performed or rendered in the village of Tontogany; on the net profits earned on all businesses, professions or other activities conducted by residents of the village of Tontogany; on the net profits earned on all businesses, professions or other activities conducted in the village of Tontogany by non-residents, and on the net profits earned by all corporations doing business in the village of Tontogany as the result of work done or services performed or rendered in the village of Tontogany; 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 Tontogany providing for the administration, collection and enforcement fo said tax; declaring violation thereof to be a misdemeanor and imposing penalties therefore,

BE IT ORDAINED by the Council of the village of Tontogany, Ohio, that:

SECTION 1. PURPOSE OF TAX.

To provide funds for the purposes of general municipal operations, maintenance, new equipment, extensions and enlargement of municipal services and facilities and capital improvements of the Village of Tontogany, including the payment of interest and principal on notes and bonds which may be lawfully issued for such purposes, there shall be and is hereby levied a tax on salaries, wages, commissions, and other compensation, and on net profits as hereinafter provided.

SECTION 2. DEFINITIONS.

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

- a) "Administrator" means the individual designated by this ordinance, whether appointed or elected, to administer and enforce the provisions of this Ordinance.
- b) "Assignment" means the assignment made by a resident of the Village of a claim or refund due from another taxing municipality granting credit to nonresidents thereof.
- c) "Association" means a partnership, limited partnership or any other form of unincorporated enterprise owned by two or more persons.
- d) "Board of Review" means the board created by and constituted as provided in Section 13 of this Ordinance.
- e) "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, real, personal or mixed.
- f) "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.

- g) “Credit for Tax paid to another municipality” means the credit granted by this municipality to its residents for municipal income tax paid to another municipality for income earned in such other municipality.
- 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 employs 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 31st.
- k) “Gross Receipts” means the total income from any source whatsoever.
- l) “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, 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 otherwise adjusted to the requirement of this ordinance.
- m) “Non-resident” means an individual domiciled outside the village of Tontogany.
- n) “Non-resident Unincorporated Business Entity” means an unincorporated business entity not having an office or place of business within the village of Tontogany.
- 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, means 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) “Resident” means an individual domiciled in the Village of Tontogany.
- r) “Resident Unincorporated Business Entity” means an unincorporated business entity having an office or place of business within the Village of Tontogany.
- s) “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 Ordinance; and/or any other income described elsewhere in the ordinance.
- t) “Taxable year” means 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.
- u) “Taxing Municipality” means any municipal corporation levying a municipal income tax on salaries, wages, commissions and any other compensation earned by individuals, and on the net profits earned from the operation of a business, profession or other activity.

- v) “Taxpayer” means a person, whether an individual, partnership, association or any corporation or other entity, required hereunder to file a return or pay a tax.
- w) The singular shall include the plural, and th masculine shall include the feminine and the neuter.

SECTION 3. IMPOSITION OF TAX

- a) 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 7/1/68 at the rate of 1% per annum upon the following:
 - b)
 - 1) On all salaries, wages, commissions and other compensation earned during the effective period of this Ordinance by residents of the village of Tontogany.
 - 2) On all salaries, wages commissions and other compensation earned during the effective period of this ordinance by non-residents for work done or services performed or rendered in the village of Tontogany.
 - 3)
 - A. On the portion attributable to the village of Tontogany of the net profits earned during the effective period of this ordinance of all resident unincorporated business, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the village.
 - 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 a resident partner or owner of a resident unincorporated business entity not attributable to the village of Tontogany and not levied against such an unincorporated business entity.
 - C. All individuals, businesses, employers, brokers, and others doing business who engage persons, either on a commission holding, shall indicate the total amount of earnings, payments, commissions and bonuses to such as are residents of the village of Tontogany, Ohio, or who do business in the village of Tontogany, on the appropriate line of Schedule C of the Tontogany Income Tax Return (s), supported by Forms 1099 attached, providing the same information is required on Federal Form 1099.
 - D. All contractors shall indicate the total amount of payments to any subcontractor or contract employee who did business in, or is a resident of the village of Tontogany on the appropriate line of Schedule C of their Tontogany Income Tax Return(s), and shall attach a list which shall indicate names, addresses and amounts paid.
 - 4)
 - A. On the portion attributable to the village of the net profits earned during the effective period of this ordinance of all nonresidents 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, whether or not such unincorporated business entity has an office or place of business in the village of Tontogany, whether or not such unincorporated business entity has an office or place of business in the village

of Tontogany..

- 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 non-resident unincorporated business entity not attributable to the village, and not levied against such unincorporated business entity.
- 5)
- A. On the portion attributable to the village of Tontogany 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 businesses or other activities conducted in the village, whether or not such corporations have an office or place of business in the village.
 - B. On the portion of the net profits attributable to the Village of Tontogany of a taxpayer conducting a business, profession or other activity both within and without the boundaries of the village of Tontogany shall be determined as provided in Section 718.02 of the Revised Code of Ohio and in accordance with the rules and regulations adopted by the Administrator pursuant to this Ordinance.
 - C. Operating Loss Carry Forward The portion of a net operating loss sustained in any taxable year subsequent to 7/1/68, allowable to the village, may be applied against the portion of the profit of succeeding years allocable to the village until exhausted, but On no event for more than five taxable year(s) allocable to the village 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.
The portion of a net operating loss sustained shall be allocated to the village in the same manner as provided herein for allocating net profits to the village. The administrator shall provide by Rules and Regulations the manner in which such net operating loss carry-forward shall be determined.
 - D. Consolidated Returns Filing of a consolidated return may be permitted or required in accordance with the rules and regulations prescribed by the Administrator.
In the case of a corporation that carried on transactions with its stockholders or with other corporations related by stock ownership, interlocking directories or some other method. Or in case of any person operates a division, branch, factory, office, laboratory or activity within the village constituting only a portion 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 village. If the administrator finds net profits are not properly allocated to the village by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directorates or transactions charge with such division, branch, factory, office, laboratory or activity or by some other method, he shall make such

allocations as he deems appropriate to provide a fair and proper allocation of net profits to the village.

- E. Exception 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 Ohio R. C. 718.01 to the extent that such net profits re exempted from municipal income taxes under such section.

SECTION 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 July 1, 1968..

SECTION 5. Return and Payment of Tax

- a) Each taxpayer, except as herein provided, shall, whether or not 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 regulations that the return of any 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, shall be accepted as the return required of any employee whose sole income subject to tax under their 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) 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) The amount of tax imposed by this ordinance on income reported.
 - 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 (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 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 filing thereof, pay to the administrator the balance of tax due, if any, after deducting
 - A. The amount of 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 taxpayer pursuant to Section 7 hereof.
- 2) Should the return or the records of the administrator indicate an overpayment of the tax to which the village 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. However, overpayments of less than one dollar (\$1.00) shall not be refunded.

e) 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 Section 11. 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

Within three months from the final determination of any federal tax liability affecting the taxpayer's village tax liability, such taxpayer shall make and file an amended village return showing income subject to the village tax based upon such final determination of federal tax liability, and pay any additional tax shown thereon to be due or make the claim for refund of any overpayment.

SECTION 6 COLLECTION AT SOURCE

- a) Each employer within or doing business within the village 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 at the rate of 1% from the gross salaries, wages, commissions, or other compensation earned by the village of Tontogany residents regardless of where such compensation was earned, and shall deduct the tax of 1% from the salaries, wages commissions or other compensation eamed within the village by non-residents.

Notwithstanding the provisions of paragraph A-1 of this Section, where such employer employs a village of Tontogany 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 Tontogany only the difference, if any, between the tax imposed by such other taxing municipality and the tax imposed by this ordinance.

Each employer shall, on or before the last day of the month following each calender quarter, make a return and remit to the village 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.

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 village 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 village income tax withheld from each employee.

- b) Each employer in collecting the tax shall be deemed to hold the same until payment is made by such employer to the village, as a trustee for the benefit of the village. Any such tax collected by such employer from his employees shall, until the same is paid to the village, be deemed a trust fund in the hands of such employer.

SECTION 7. DECLARATIONS

- a) Every person who anticipates any taxable income which is not subject to Section 6, or who engages in any business, profession, enterprise or activity subject to the tax imposed by Section 3, 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 in accordance with Section 6, such person need not file a declaration.
- b)
 - 1) Such declaration shall be filed on or before April 30 of each year during the life of this ordinance, or within four (4) months of the date the taxpayer becomes subject to the tax for the first time.
 - 2) 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.
 - 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.
- d) The taxpayer making the declaration shall, at the time of the filing thereof, pay to the Administrator at least one-fourth (1/4th) 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 overpayment of the previous year's tax liability which the taxpayer has not elected to have refunded.
 - 3) 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 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.

- 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 the village shall be paid therewith in accordance with the provisions of Section 5 hereof.
- f) Notwithstanding any provision or requirement of this Ordinance to the contrary, if a taxpayer resides or proposes to reside in the village of Tontogany or engages in business or proposes to engage in business therein for a period of less than three (3) months or if the Administrator determines that the residence of any business in the Village may reasonably be expected to be less than three (3) months, the Administrator may require any such taxpayer to file a declaration and/or a return within such time as he may reasonably fix and to pay or secure the payment of any tax due or to become due and/or any tax withheld or required to be withheld during the period of residence or engagement in business or the period of such residence or engagement in business estimated by the Administrator.
- g) The date or dates fixed by the Administrator for the filing of declarations and/or returns and/or for payment or security for payments of taxes pursuant to this Sub-section g shall be in lieu of the dates for such filing or payment specified for taxpayers generally to this Ordinance.

SECTION 8. DUTIES OF THE ADMINISTRATOR

- A) It shall be the duty of the Administrator 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 monthly to the village clerk, any monies so received.

It shall be the duty of the Administrator to enforce payment of all taxes owing the village, 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) The 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.
- 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 Village 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.

SECTION 9. INVESTIGATIVE POWERS OF 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 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 as or should have been returned for taxation or any transaction tending to affect such income. For this purpose, he 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 an 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 the order or subpoena of the administrator authorized hereby shall be deemed a violation of the Ordinance punishable as provided in Section 17 hereof.
- D) Any information gained as a result of any returns, investigations, verifications, or hearings 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 Tontogany 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 (5) years from the date his return is filed, or the withholding taxes are paid.

SECTION 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 percent per month ($\frac{1}{2}\%$), or fraction thereof.

- B) In addition to interest as provided in Paragraph (A) hereof, penalties are hereby imposed as follows:
 - 1) For failure to pay tax when due-other than taxes withheld, the greater of one percent (1%) per month or fraction thereof.
 - 2) For failure to remit taxes withheld from employees; three percent (3%) per month or fraction thereof.
- C) Upon recommendation of the Administrator, the Board of Review may abate the penalty or interest, or both, or upon the appeal from the refusal of the Administrator to recommend abatement of the 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 collectable, 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; provided, however, in those cases in which the Commissioner of Internal Revenue and the taxpayer have executed a waiver of the federal statute of limitation, the period within which the 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 which 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.

SECTION 12 VIOLATIONS AND PENALTIES

Any person 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 tax payer; 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 the 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 address, 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 five hundred dollars (\$500.00) or imprisoned not more than six (6) months, or both, for each offense.
- b) All prosecutions for an offense made punishable under this section must be commenced within five (5) years from the time of the offense complained of.
- c) The failure of any employer or person to receive or procure a tax 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) A Board of Review consisting of the Village Solicitor as chairman, the Chairman of the Finance Committee as secretary, and one other member of the Village Council to be selected by the Solicitor and the Chairman of the Finance Committee 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 of 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 becomes 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 to the Board of Review within thirty (30) days from the announcement of such ruling or decision by the Administrator. The Board shall, or hearing, have jurisdiction to affirm, reverse or modify any such ruling or decision or any part thereof.

SECTION 14. ALLOCATION OF FUNDS.

A. The funds collected under the provisions of this Ordinance shall be applied for the following purposes, do wit:

1. Such part thereof as shall be necessary to defray all costs of collecting the taxes levied by this ordinance and the cost of administering and enforcing the provisions thereof.
2. The balance of the funds collected each year under the provisions of this ordinance shall be paid into special funds which are hereby established for the following purposes;
 - a) 20% shall be transferred and deposited into the General Fund.
 - b) 80% shall be transferred and deposited into a fund for capital improvements, extension, enlargement, or improvement of municipal services and bond retirement.

B. Council shall, by Ordinance, appropriate the above monies after transfer into the specified funds and allocate such monies in accordance with the needs of the village of Tontogany. Council may, if and when necessary, appropriate monies from any or all of such special funds for poor relief, public disaster or civil emergency, but in no event shall such appropriation exceed the actual need for such funds.

SECTION 15. CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY

There shall be a 100% credit allowed for municipal income tax paid to another municipality by a resident of the Village of Tontogany. Such credit shall not exceed the tax due under the ordinance.

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 clause, sentence, section or part of this provision, sentence, clauses, section or other parts of this ordinance. It is hereby declared to be the intention of Council that this Ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included therein.

SECTION 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 the Ordinance 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 collections of such taxes or for the punishment of violations of this Ordinance have been fully terminated, subject to the limitations contained in Sections 11 and 12

- b) Annual returns are due for all or any part of the last effective year of this Ordinance shall be due on the date provided in Sections 5 and 6 of this Ordinance as though the same were continuing.