

## **McDONALD INCOME TAX ORDINANCE**

### **CHAPTER 181 Income Tax**

**181.01 Administrator.**

**181.02 Assistant administrator.**

#### **CROSS REFERENCES**

Power to levy income tax - see Ohio Const., Art. XVIII, §3

Payroll deductions - see Ohio R.C. 9.42

Municipal income taxes - see Ohio R.C. Ch. 718

Stenographer/Assistant Income Tax Administrator - see ADM. [131.01](#)

Income Tax Ordinance - see ADM. Ch. [183](#)

#### **181.01 ADMINISTRATOR.**

(a) The Mayor is hereby empowered to appoint an officer who shall be known as the Income Tax Administrator. The appointment shall be made with the advice and consent of Council for a term of one year.

The Income Tax Administrator shall be responsible for the collection and deposit to the municipal treasury all income taxes and further the enforcement and administration of the income tax ordinance.

(b) The duties and responsibilities of Income Tax Administrator shall be as provided in the current income tax ordinance.

(Ord. 2351-84. Passed 5-15-84.)

#### **181.02 ASSISTANT ADMINISTRATOR.**

(a) The assistant administrator of income tax shall be appointed as provided in Section [131.01](#).

(b) The hours of the assistant administrator of income tax shall be arranged to suit the convenience of the appointee and the convenience of the residents of the Municipality. The position shall be part-time.

(Ord. 877-62. Passed 6-5-62.)

### **CHAPTER 183 Income Tax Ordinance**

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#### CROSS REFERENCES

Payroll deductions - see Ohio R.C. 9.42

Municipal income taxes - see Ohio R.C. Ch. 718

State income tax - see Ohio R.C. Ch. 5747

#### **183.01 PURPOSE.**

To provide funds for the purpose of general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and 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.

(Ord. 2922-02. Passed 11-20-02.)

#### **183.02 DEFINITIONS.**

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

- (a) **TAX DIRECTOR**–The individual designated to administer and enforce the provisions of this chapter.
  
- (b) **ASSOCIATION**–A partnership, limited partnership, or any other form of unincorporated enterprise, owned by two or more persons.
  
- (c) **BOARD OF REVIEW**– The Board created by and constituted as provided in Section [183.13](#).
  
- (d) **BUSINESS**–An enterprise, activity, professions, 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.
  
- (e) **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.
  
- (f) **EMPLOYEE**–One who works for wages, salaries, commissions or other types of compensation in the service of an employer.
  
- (g) **EMPLOYER**–An individual, partnership, association, corporation, governmental body, unit of 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.

(h) FISCAL YEAR—An accounting period of three hundred sixty-five (365) days (or three hundred sixty-six (366) days in a leap year) beginning on any day and ending three hundred sixty-five (365) days (or three hundred sixty-six (366) days in a leap year) later .

(i) GROSS RECEIPTS—The total income from any source whatsoever.

(j) 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 chapter, federal, state, or 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.

(k) NON-RESIDENT—An individual domiciled outside this municipality.

(l) NON-RESIDENT UNINCORPORATED BUSINESS ENTITY—An unincorporated business entity not having an office or place of business within this Municipality.

(m) 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.

(n) 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.

(o) RESIDENT—An individual domiciled in this municipality.

(p) **RESIDENT UNINCORPORATED BUSINESS ENTITY**—An unincorporated business entity having an office or place of business within this municipality.

(q) **SALARIES**—Salaries, wages, commissions and other compensation shall mean the compensation received by an employee from an employer for conducting a business activity whether that compensation is generated by an activity which is for profit or for non-profit and shall specifically include sick pay benefits, supplemental unemployment benefits, and similar compensation which shall be a substitute for wages in accordance with regulations promulgated by the Tax Director, but shall specifically exclude Workers' Compensation Benefits, Social Security Disability Benefits and Unemployment Benefits.

(r) **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 this chapter.

(s) **TAXABLE YEAR**—The calendar year, or the fiscal year upon the basis of which net profits are to be computed under this chapter and, in the case of a return for a fractional part of a year, the period for which such return is required to be made.

(t) **TAXPAYER**—A person, whether an individual, partnership, association, or corporation or other entity, required hereunder to file a return or pay a tax.

(u) The singular shall include the plural, and the masculine shall include the feminine and the neuter. (Ord. 2922-02. Passed 11-20-02.)

### **183.03 IMPOSITION OF TAX.**

(a) Subject to the provisions of Section [183.03](#), an annual tax for the purposes specified in Section [183.01](#) hereof shall be imposed on and after January 1, 1985 at the rate of two percent (2%) per annum upon the following:

(1) All salaries, wages, commissions and/or other compensation earned during the effective period of this chapter by residents of this Municipality.

A. Business losses cannot be used to reduce any income reported on a W-2 form.

(2) All salaries, wages, commissions and other compensation earned during the effective period of this chapter by non-residents for work done or services performed or rendered in this Municipality.

A. Business losses cannot be used to reduce any income reported on W- 2 form.

(3) Net rentals from property situated in McDonald, where the rental of such property is a usual or normal part of the taxpayer's business activity.

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

A. The portion of distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a resident unincorporated business entity not attributable to this municipality and not levied against such unincorporated business entity by this municipality.



(5) The portion attributable to this Municipality of the net profits earned during the effective period of this chapter of all non-resident unincorporated business, 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.

A. The portion of the distributive share of the net profits earned during the effective period of this chapter of a resident partner or owner of a non-resident unincorporated business entity not attributable to this Municipality and not levied against such unincorporated business entity by this Municipality.

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

(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 Section 718.02 of the Revised Code of Ohio and in accordance with the rules and regulations adopted by the Tax Director pursuant to this chapter.

(c) Operating Loss Carry Forward.

(1) The portion of a net operating loss sustained in any taxable year subsequent to effective date of "first" ordinance permitting loss carry forwards allocable to this municipality may be applied against the portion of the profit of succeeding years(s) allocable to this municipality, until exhausted but in no event for more than ten (10) 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 Tax Director 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, required, or denied in accordance with Rules and Regulations prescribed by the Tax Director.

(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 Tax Director shall require such additional information as he may deem necessary to ascertain whether net profits are properly allocated to this municipality. If the Tax Director 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 divisions, 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) Exceptions.

(1) The tax provided for herein shall not be levied upon the military pay or allowances of active duty 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 Section 718.01 of the Revised Code of Ohio to the extent that such net profits are exempted from municipal income taxes under said section.

(2) Military Reserve Pay. Military Reserve and Ohio national Guard pay for active duty periods shall not be taxable; however, routine weekend reserve or national guard duty pay is subject to local tax.

(Ord. 2922-02. Passed 11-20-02.)

#### **183.04 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 on and after January 1, 1985.

(Ord. 2922-02. Passed 11-20-02.)

#### **183.05 RETURN AND PAYMENT OF TAX.**

(a) Each taxpayer, except as herein provided, shall, whether or not a tax is due thereon, make and file a return on or before April 15 of the year following the effective date of this chapter, and on or before April 15 of each year thereafter. When the date April 15 falls on a Saturday, Sunday, or Holiday, and the Village offices are closed, the return shall be due on the next business day. When the return is made for a fiscal year of other period different from the calendar year, the return shall be filed within three and one-half (3 ½) months from the end of such fiscal year or period. The Tax Director is hereby empowered to provide by regulation that the return of an employer 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 Tax Director, shall be accepted as the return required of any employee, unless otherwise specified, whose income subject to tax under this chapter is such salary, wages, commissions, or other compensation.

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

(1) The aggregate amounts of salaries, wages, commissions and/or other compensation earned. 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 tax year and subject to said tax.

(2) The amount of the tax imposed by this chapter on such earnings and profits: and

(3) Such other pertinent statements, forms, information returns, or other information as the Tax Director may require.

(c) The Tax Director 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 Tax Director 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) The taxpayer making a return shall, at the time of the filing thereof, pay to the Tax Director 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 Section [183.06](#); where any portion of said tax shall have been paid by the taxpayer pursuant to the provisions of Section [183.07](#); where a credit is due from a preceding year; or where an income tax has been paid to another municipality, credit for the amount so paid in accordance with Section [183.15](#), 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.

(1) A taxpayer who has overpaid the amount of tax to which this Municipality is entitled under the provisions of this chapter 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 one dollar (\$1.00) shall be collected or refunded.

(e) Amended Returns. Where necessary, an amended return must be filed to report additional income and pay any tax due, or to report a reduction in income and claim a refund of tax overpaid, subject to the requirements and/or limitations contained in Sections [183.11](#) and [183.15](#). Such amended returns shall be on a form obtainable on request from the Tax Director. A taxpayer may not change the method of accounting or apportionment of net profits after the due date for filing the original return, except to correct an illegal or unauthorized procedure.

(1) Within three (3) 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.

(Ord. 2922-02. Passed 11-20-02.)

### **183.06 COLLECTION AT SOURCE.**

(a) In accordance with Rules and Regulations prescribed by the Tax Director, 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 two percent (2%) of the gross salaries, wages, commissions or other compensation due by the said employer to said employee or the tips or gratuities reported to said employer by each said 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 Tax Director the amount of taxes so deducted. Said returns shall be on a form or forms prescribed by or acceptable to the Tax Director and shall be subject to the Rules and Regulations prescribed therefor by the Tax Director. 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.

(b) Each employer collecting said 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 until the same is paid to this municipality, shall be deemed a trust fund in the hands of such employer. If the employer is delinquent in paying the full amount due on the dates so established herein, this trust shall be considered to have accrued interest at the rate established annually by the Ohio Department of Taxation, as well as a one and one-half ( 1½) percent per month “failure to pay” penalty until such time as the payment has been made in full.

(c) On or before March 31 of each year 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 each employee and such other information as may be required by the Tax Director. All payments not subject to withholding shall be reported on a form required by the Tax Director.

(d) The Tax Director for good cause may require immediate returns and payments to be submitted to his office.  
(Ord. 2922-02. Passed 11-20-02.)

### **183.07 DECLARATIONS.**

(a) Every person who anticipates any taxable income which is not subject to Section [183.06](#) hereof, or who engages in any business, profession, enterprise or activity subject to the tax imposed by Section [183.03](#) 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 Section [183.06](#) hereof, such person need not file a declaration, nor make estimated payments.

(b) Such declaration shall be filed on or before April 15 of each year during the life of this chapter, or within four (4) months of the date the taxpayer becomes subject to tax for the first time.

(1) Those taxpayers reporting on a fiscal year basis shall file a declaration within three and one-half (3 ½ ) months after the beginning of each fiscal year or period.

(c) Such declaration shall be filed upon a form furnished by or obtainable from the Tax Director provided however, credit shall be taken for any portion of this Municipality's income tax to be withheld from such income. Additionally, in accordance with the provisions of Section [183.15](#) hereof, credit may be taken for tax to be withheld and remitted to another taxing municipality within the limits of this chapter.

(1) 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.

(d) Such declaration of estimated tax to be paid to this Municipality shall be accompanied by a payment of at least one fourth (1/4) of the estimated annual tax and at least a similar amount shall be paid on or before the 15<sup>th</sup> day of the seventh, tenth and thirteenth months after the beginning of the taxable year. Provided however that in case an amended declaration has been filed, the unpaid balance shown due thereon shall be paid in equal installments on or before the remaining payment dates.

(e) On or before the 15 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 Section [183.05](#) hereof. (Ord. 2922-02. Passed 11-20-02.)

## **183.08 DUTIES OF THE TAX DIRECTOR.**

(a) It shall be the duty of the Tax Director to receive the tax imposed by this chapter in the manner prescribed herein from the taxpayers; to keep an accurate record thereof; and to report all monies so received.

(1) It shall be the duty of the Tax Director to enforce payment of all taxes owing to this Municipality, 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 to make any return, including taxes withheld, and to show the dates and amounts of payments thereof.

(b) Said Tax Director is hereby charged with the enforcement of the provisions of this chapter 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 chapter, including provisions for the re-examination and correction of returns.

The Tax Director 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 Tax Director that due to certain hardship conditions, he is unable to pay the full amount of the tax due. Such authorization shall not be granted until proper returns are filed by the taxpayer for all amounts owed by him under this chapter.

Failure to make any deferred payment when due, shall cause the total unpaid amount, including penalty and interest, to become payable on demand and the provisions of Section [183.11](#) and [183.12](#) shall apply.

(c) In any case where a taxpayer has failed to file a return or has filed a return which does not show the proper amount of tax due, the Tax Director 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 any tax so determined, together with interest and penalties thereon, if any.



(d) The Tax Director is authorized to remove delinquent tax accounts with principal balances of less than twenty-five dollars (\$25.00) from active collection status.

(Ord. 2922-02. Passed 11-20-02.)

### **183.09 INVESTIGATIVE POWERS OF THE TAX DIRECTOR; PENALTY FOR DIVULGING CONFIDENTIAL INFORMATION.**

(a) The Tax Director, 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 Tax Director believes is subject to the provisions of this chapter, for the purpose of verifying the accuracy of any return made, or, if no return was made, to ascertain the tax due under this chapter. Every such employer, supposed employer, taxpayer or supposed taxpayer is hereby directed and required to furnish upon written request by the Tax Director, or his duly authorized agent or employee, the means, facilities, and opportunities for making such examinations and investigations.

(b) The Tax Director 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 and state income tax returns and the attendance of any person before him, whether as parties or witnesses, whenever he believes such person has 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 Tax Director authorized hereby shall be deemed a violation of this chapter, punishable as provided in Section [183.12](#) hereof.

(d) Any information gained as a result of any returns, investigations, verifications or hearing before the Tax Director required by this chapter 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 five hundred dollars (\$500.00) or imprisonment 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 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 (5) years from the date his return is filed, or the withholding taxes are paid.

(Ord. 2922-02. Passed 11-20-02.)

### **183.10 INTEREST AND PENALTIES.**

(a) Interest. All taxes imposed and all monies withheld or required to be withheld by employers under the provisions of this chapter and remaining unpaid after they become due shall bear interest at the rate so determined by the Ohio Department of Taxation Tax Commissioner on the 15<sup>th</sup> day of October of each year and shall be the interest rate per annum used in making such computation for interest that accrues during the following year.

(b) Penalties. In addition to interest due from employers as provided in paragraph A hereof, a penalty will be imposed upon employers and persons for failure to pay taxes due, at a rate of one and one-half percent (1½%) per month or fraction thereof until the balance is paid in full.

(1) The minimum penalty for failure to file a complete and timely final tax return including estimates, as specified in Section [183.05](#), shall be twenty dollars (\$20.00). If there is no income earned or due, a penalty will not be charged.

(2) The minimum penalty for failure to file a quarterly return as specified in Section [183.07](#) shall be five dollars (\$5.00) for each quarter past due.

(3) Exceptions. A penalty shall not be assessed on an additional tax assessment made by the Tax Director when a return has been filed in good faith and the tax paid thereon within the time prescribed by the Tax Director; furthermore in the absence of fraud, neither penalty nor interest shall be assessed on any additional tax assessment resulting from a federal audit, providing that an amended return is filed and the additional tax is paid within three (3) months after final determination of the federal tax liability.

(4) Board of Review. This Board may abate penalty or interest, or both, upon an appeal.

(Ord. 2922-02. Passed 11-20-02.)

### **183.11 COLLECTION OF UNPAID TAXES AND REFUNDS OF OVERPAYMENTS.**

(a) All taxes imposed by this chapter shall be collectable, 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 after the tax was due or the return was filed, whichever is later. In the event a refund is due, it must be claimed within three (3) years of when the tax was filed or due

(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) hereof.

(c) Amounts of less than one dollar (\$1.00) shall not be collected or refunded.

(Ord. 2922-02. Passed 11-20-02.)

### **183.12 VIOLATIONS - PENALTIES.**

(a) Any person who shall:

(1) Fail, neglect or refuse to make any return or declaration required by this chapter; 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 chapter; or

(4) Willfully fail, neglect or refuse to withhold the tax from his employees or remit such withholding to the Tax Director; or

(5) Refuse to permit the Tax Director 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 Tax Director and to produce his books, records, papers or Federal income tax returns relating to the income or net profits or a taxpayer upon order or subpoena of the Tax Director; or

(7) Refuse to disclose to the Tax Director any information with respect to the income or net profits of a taxpayer; or

(8) Fail to comply with the provisions of this chapter or any order or subpoena of the Tax Director authorized hereby; or

(9) Give to an employer false information as to his true name, correct social security number, 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 Tax Director 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 chapter;

Shall be guilty of a misdemeanor of the third degree and shall be fined not more than five hundred dollars (\$500.00) or imprisoned not more than sixty days (60) or both for each offense.

(b) Prosecutions for an offense made punishable under this Section or any other provision of this chapter 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 percent (25%) or more of income required to be reported, prosecutions may be commenced within six (6) 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, or from filing such form, or from paying the tax.

(Ord. 2922-02. Passed 11-20-02.)

### **183.13 BOARD OF REVIEW.**

(a) A Board of Review, consisting of a chairman and two other individuals to be appointed by the Mayor is hereby created to serve for a period of one (1) year (Jan. 1 To Dec. 31). 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 [183.09](#) hereof with reference to the confidential character of information required to be disclosed by this chapter shall apply to such matters as may be heard before the Board on appeal.

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

(c) Any person dissatisfied with any ruling or decision of the Tax Director 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 Tax Director, and the Board shall, on hearing, having jurisdiction to affirm, reverse or modify any such ruling or decision, or any part thereof. (Ord. 2922-02. Passed 11-20-02.)

#### **183.14 ALLOCATION OF FUNDS.**

The allocation of funds shall be as determined by the Municipality from time to time.

(Ord. 2922-02. Passed 11-20-02.)

#### **183.15 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 within or without this Municipality, has a tax obligation to this municipality. If it is determined that he has paid a municipal income tax to another taxing municipality on the same income taxable under this chapter, then the amount so paid by him or on his behalf to such other municipality shall be credited against his obligation to this Municipality in an amount equal to the payment to the other municipality, not to exceed the Municipality's tax rate.

(c) A claim for refund or credit under this section shall be made in such manner as the Tax Director may by regulation provide. (Ord. 2922-02. Passed 11-20-02.)

### **183.16 SAVING CLAUSE.**

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

(Ord. 2922-02. Passed 11-20-02.)

### **183.17 COLLECTION OF TAX AFTER TERMINATION OF CHAPTER.**

(a) This chapter shall continue effective insofar as the levy of taxes in 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 chapter 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 violation of this ordinance shall have been fully terminated, subject to the limitations contained in Sections [183.11](#) and [183.12](#) hereof.

(b) Annual returns due for all or any part of the last effective year of this chapter shall be due on the date provided in Sections [183.05](#) and [183.06](#) as though the same were continuing.  
(Ord. 2922-02. Passed 11-20-02.)

### **183.18 REPEALING PRIOR INCOME TAX ORDINANCE; SAVING COLLECTION RIGHTS.**



(a) Immediately upon the effective date of this chapter, all ordinances or parts thereof in conflict with the provisions of this chapter are hereby repealed save and except the provisions of said ordinance as relates to the collection of taxes levied thereunder, and so far as all actions or proceedings for collecting any tax so levied or enforcing any provisions of this chapter are concerned, it shall continue effective until all of said taxes levied thereunder are fully paid and any and all suits and prosecutions for the collections of said taxes or for the punishment of violations of this chapter have been fully terminated.

(Ord. 2922-02. Passed 11-20-02.)

### **183.19 REPORTING OF RENTERS.**

(a) On or before July 1, 1992, all property owners of rental or leased property who rent to tenants of residential premises or business premises shall file with the Village Income Tax Administrator, a report showing the names and addresses of each such tenant who occupies residential or business premises within the limits of the Village as of June 1, 1992.

(b) Beginning July 1, 1992, and thereafter, within thirty days after a new tenant occupies residential or business rental property of any kind within the Village, all property owners of rental or leased residential or business property who rent to tenants or businesses, shall file with the Village Income Tax Administrator, a report showing the names and addresses of each such tenant or business who occupies residential or business premises within the corporation limits of the Village.

(c) Beginning July 1, 1992, and thereafter, within thirty days after a tenant vacates a rental or leased residential or business property located within the Village, the property owner of such vacated rental or leased property shall file with the Village Income Tax Administrator, a report showing the date of vacating from the rental or leased residential or business property and identifying such vacating tenant; and providing the forwarding address for such tenant.

(d) For the purposes of this section, “tenant” means:

(1) If there is a written lease or rental agreement, the person or persons who sign the written lease or rental agreement with the owner.

(2) If there is an oral lease or rental agreement, the person or persons with whom the owner enters into the oral lease or rental agreement.

(e) Whoever violates the provisions of this section shall:

(1) For a first offense: Pay a fine of not more than fifty dollars (\$50.00).

(2) For a second offense: Pay a fine of not more than one hundred dollars (\$100.00).

(3) For a third and all subsequent offenses: Pay a fine of not more than two hundred dollars (\$200.00).

(Ord. 2615-92. Passed 4-1-92.)