

CHAPTER 38: MUNICIPAL INCOME TAXATION,

EFFECTIVE FOR ALL YEARS BEGINNING JANUARY 1, 2016

Section

- 38.01 Authority to levy tax; Code adopted
- 38.02 Purposes of tax; rate
- 38.03 Allocation of funds
- 38.04 Effective date
- 38.05 Changes in Code
- 38.06 Credit for tax paid to another municipality
- 38.07 Adoption of rules
- 38.08 Collection after termination of chapter
- 38.09 Savings clause

§ 38.01 AUTHORITY TO LEVY TAX; CODE ADOPTED.

(A) The provisions of Ohio Revised Code Chapter 718 ("R.C. Ch. 718"), Municipal Income Taxes, is hereby adopted and shall be enforced as the City of Piqua Income Tax, except for those portions thereof that have been or may hereafter be deleted or amended.

(B) The tax on income and the withholding tax established by this Chapter are authorized by Article XVIII, Section 3 of the Ohio Constitution. The tax on income and the withholding tax established by this Chapter are deemed to be levied in accordance with, and to be consistent with, the provisions and limitations of R.C. Ch. 718. This Chapter is deemed to incorporate the provisions of ORC 718.

(C) The tax is an annual tax levied on the income of every person 18 years of age and older, residing in or earning or receiving income in the municipal corporation, and shall be measured by municipal taxable income.

(D) An annual return with respect to the income tax levied on municipal taxable income by the City of Piqua shall be completed and filed by every taxpayer 18 years of age and older for any taxable year for which the taxpayer is subject to the tax, regardless of whether or not income tax is due. The Tax Administrator shall accept on behalf of all nonresident individual taxpayers a return filed by an employer, agent of an employer, or other payer located in the City of Piqua when the nonresident individual taxpayer's sole income subject to the tax is the qualifying wages reported by the employer, agent of an employer, or other payer, and no additional tax is due to the City of Piqua.

(Ord. 18-15, passed 12-15-15)

§ 38.02 PURPOSES OF TAX; RATE.

(A) To provide funds for the purposes of permanent improvements, new equipment, extension and enlargement of municipal services and facilities, capital improvements and operating expenses of the City of Piqua, there shall be, and is hereby levied, a tax on income, qualifying wages, commissions and other compensation, net profits, and other taxable income as hereinafter provided.

(B) Subject to the provisions of R.C. § 718.05, an annual tax for the purposes specified in §38.02(A) hereof shall be imposed at the rate of 2% per annum.

(Ord. 18-15, passed 12-15-15)

§ 38.03 ALLOCATION OF FUNDS.

(A) Relating to the first 1%, not less than 28% shall be used for the construction, operation and maintenance of streets, including the draining thereof. Not less than 21% shall be used for permanent improvements and operation of the Safety Department. Not less than 7% shall be used for permanent improvements and operation of City parks. Not more than 44% shall be used for General Fund purposes, other than those listed above, and for the purpose of paying the cost of collecting the tax levied by this Chapter and the cost of administering and enforcing the provisions thereof.

(B) The funds collected under the provisions of this Chapter relating to the next .75% levy in excess of 1% shall be used entirely for capital and operating needs of police, fire and public safety-related services.

(C) The funds collected under the provisions of this ordinance relating to the remaining .25% levy shall be used entirely for the construction, reconstruction and resurfacing of streets and alleys, including the installation, maintenance and reconstruction of storm drainage lines, manholes and catch basins.

(D) The first 1% of said tax shall be levied until repealed by this Commission; the next .75% until repealed by the

electorate; and the remaining .25% from January 1, 1991 through December 31, 2020.

(Ord. 18-15, passed 12-15-15)

§ 38.04 EFFECTIVE DATE.

(A) Ordinance 18-15, effective January 1, 2016, and corresponding changes to R.C. Ch. 718, apply to municipal taxable years beginning on or after January 1, 2016. All provisions of this Chapter apply to taxable years beginning 2016 and succeeding taxable years.

(B) Ordinance 18-15 does not repeal the existing sections of Chapter 36 for any taxable year prior to 2016, but rather adds Chapter 38 effective January 1, 2016. For municipal taxable years beginning before January 1, 2016, the City of Piqua shall continue to administer, audit, and enforce the income tax of the City of Piqua under R.C. Ch. 718 and ordinances and resolutions of the City of Piqua as that chapter and those ordinances and resolutions existed before January 1, 2016.

(Ord. 18-15, passed 12-15-15)

§ 38.05 CHANGES IN CODE.

Ohio Revised Code Chapter 718 as adopted in §38.01 is hereby revised by amendment, addition or repeal of the following sections of the adopted Code as are respectively indicated.

(A) Section 718.01-Definitions.

718.01 (A)(1)(a) Delete "and further reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation."

718.01 (A)(1)(b)(i) Delete "and further reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation."

718.01 (A)(1)(b)(ii) Delete entire section.

718.01 (A)(1)(c) Delete "and further reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation."

718.01 (C)(2)(a) Delete "Except as provided in division (C)(2)(b) of this section."

718.01 (C)(2)(b) Delete entire section.

718.01 (C)(14)(a) Delete "Except as provided in division (C)(14)(b) or (c) of this section."

718.01 (C)(14)(b) Delete entire section.

718.01 (C)(14)(c) Delete entire section.

718.01 (C)(14)(d) Delete entire section.

718.01 (R)(1)(c) Delete entire section.

718.01 (R)(1)(d) Delete entire section.

718.01 (RR) Delete entire section.

718.01 (SS)(1) Delete entire section.

718.01 (SS)(2) Delete entire section.

(B) Section 718.03-Withholding taxes from qualifying wages.

718.03 (B)(2) Delete entire section.

(C) Section 718.99-Violations: penalties.

718.99 (D) Delete entire section and insert the following:

(D) Whoever violates any provision of this Chapter for which violation no penalty is otherwise provided, 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. By way of an illustrative enumeration, violations of this Chapter shall include but not be limited to the following acts, conduct, and/or omissions:

- (1) Fail, neglect or refuse to make any return/declaration required by this Chapter; or
- (2) Knowingly make any incomplete return; or
- (3) Willfully fail, neglect, or refuse to pay the tax, penalties, and interest, or any combination thereof, imposed by this Chapter; or
- (4) Fail, neglect or refuse to withhold/remit municipal income tax from employees; or
- (5) Refuse to permit the Tax Administrator or any duly authorized agent or employee to examine his or her books,

records, papers, federal and state income tax returns, or any documentation relating to the income or net profits of a taxpayer; or

(6) Fail to appear before the Tax Administrator to produce his or her books, records, papers, federal and state income tax returns, or any documentation relating to the income or net profits of a taxpayer upon order or subpoena of the Tax Administrator; or

(7) Refuse to disclose to the Tax Administrator any information with respect to such person's income or net profits, or in the case of a person responsible for maintaining information relating to his or her employers' income or net profits, such person's employer's income or net profits; or

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

(9) To avoid imposition or collection of municipal income tax, willfully give to an employer or prospective employer false information as to his or her true name, correct social security number and residence address, or willfully fail to promptly notify an employer or a prospective employer of any change in residence address and date thereof; or

(10) Fail, as an employer, agent of an employer, or other payer, to maintain proper records of employees residence addresses, total qualifying wages paid and municipal tax withheld, or to knowingly give the Tax Administrator false information; or

(11) Willfully fail, neglect, or refuse to make any payment of estimated municipal income tax for any taxable year or any part of any taxable year in accordance with this Chapter; or

(12) 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.

(13) For purposes of this Section, any violation that does not specify a culpable mental state or intent, shall be one of strict liability and no culpable mental state or intent shall be required for a person to be guilty of that violation.

(14) For purposes of this Section, the term "person" shall, in addition to the meaning prescribed in R.C. § 718.01, include in the case of a corporation, association, pass-through entity or unincorporated business entity not having any resident owner or officer within the city, any employee or agent of such corporation, association, pass-through entity or unincorporated business entity who has control or supervision over or is charged with the responsibility of filing the municipal income tax returns and making the payments of the municipal income tax as required by this Chapter.

(Ord. 18-15, passed 12-15-15)

§ 38.06 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY.

(A) When a resident of the City of Piqua is subject to municipal income tax in another municipality as well as in this City, such resident shall not pay a total municipal income tax on such income greater than the tax imposed at the higher rate.

(B) When a resident of Piqua is subject to and has paid, a municipal income tax in another municipality on the same income taxable under this Chapter, such Piqua 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 Chapter. The taxpayer must provide proof of tax paid to another municipality to be eligible for the credit.

(Ord. 18-15, passed 12-15-15)

§ 38.07 ADOPTION OF RULES.

Pursuant to R.C. § 718.30, the City of Piqua, pursuant to this Chapter, grants authority to the City of Piqua Tax Administrator, to adopt rules to administer the income tax imposed by the City of Piqua.

(Ord. 18-15, passed 12-15-15)

§ 38.08 COLLECTION AFTER TERMINATION OF CHAPTER.

(A) This Chapter shall continue in full force and effect insofar as the levy of taxes is concerned until repealed, and insofar as the collection of taxes levied hereunder and actions and proceedings for collecting any tax so levied or enforcing any provisions of this Chapter are concerned, it shall continue in full force and effect until all of the taxes levied in the aforesaid period are fully paid and any and all suits and prosecutions for the collection of taxes or for the punishment of violations of this chapter have been fully terminated, subject to the limitations contained in R.C. § 718.12.

(B) Annual returns due for all or any part of the last effective year of this chapter shall be due on the date provided in R.C. § 718.05 as though the same were continuing.

(Ord. 18-15, passed 12-15-15)

§ 38.09 SAVINGS CLAUSE.

If any sentence, clause, section or part of this Chapter, or any tax imposed against, or exemption from tax granted to, any taxpayer or forms of income 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 so found 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 Commission of the City of Piqua that this Chapter would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included in this Chapter.

(Ord. 18-15, passed 12-15-15)

RESOLUTION NO. R-92-22

A RESOLUTION ADOPTING THE RULES AND REGULATIONS OF THE REGIONAL INCOME TAX AGENCY (RITA)

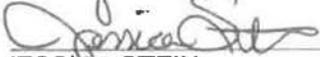
WHEREAS, the City of Piqua has recently contracted with the Regional Income Tax Agency (RITA) to assist with the City's administration and collection of municipal income tax,

NOW, THEREFORE, BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, a majority of all members elected thereto concurring:

SEC. 1: The City of Piqua hereby adopts the Regional Income Tax Agency (RITA) Rules and Regulations, attached hereto and by this reference incorporated herein, including amendments that may be made from time to time hereafter, for use as the City of Piqua's Income Tax Rules and Regulations. In the event of a conflict with any provision(s) of the City of Piqua's Income Tax Ordinance and the RITA Rules and Regulations, the ordinance will supersede. Until and if the contractual relationship between the City of Piqua and RITA ceases, this section shall supersede all other provisions regarding promulgation of the rules and regulations by the Tax Administrator.

SEC. 2: This Resolution shall take effect and be in force from the earliest period allowed by law.


CINDY PEARSON, MAYOR

PASSED: August 2, 2022
ATTEST: 
JESSICA STEIN
CLERK OF COMMISSION

The Motion to adopt the foregoing Resolution was offered by Conan Vetter
seconded by Conan Vetter and on roll call the following vote ensued:

Mayor Cindy Pearson	<u>aye</u>
Commissioner Chris Grissom	<u>aye</u>
Commissioner Kris Lee	<u>aye</u>
Commissioner Kazy Hinds	<u>aye</u>
Commissioner James Vetter	<u>aye</u>