

RECORD OF ORDINANCES

Dayton Legal Blank Co.

Form No. 30043

Ordinance No. #01-1925

Passed March 21, 2001
YEAR

Village of Leetonia, Ohio

AN ORDINANCE AMENDING THE RULES AND REGULATIONS FOR THE ADMINISTRATION AND ENFORCEMENT OF THE VILLAGE OF LEETONIA'S INCOME TAX LAW.

WHEREAS the State of Ohio enacted legislation reforming the municipal income tax law (H. B. 477), and

WHEREAS the Village of Leetonia desires to amend its Income Tax Ordinances to comply with the new State law.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF LEETONIA, STATE OF OHIO:

SECTION ONE: The rules and regulations for the administration and enforcement of Income Tax Ordinance No. 1212 and 1378 are hereby amended as follows:

A. 12-day occasional entry rule:

A non-resident individual who works in Leetonia 12 or fewer days per year shall be considered an occasional entrant, and shall not be subject to Leetonia municipal income tax for those 12 days. For purposes of the 12-day calculation, any portion of a day worked in Leetonia shall be counted as one day worked in Leetonia.

Beginning with the thirteenth day, the employer of said individual shall begin withholding Leetonia income tax from remuneration paid by the employer to the individual, and shall remit the withheld income tax to Leetonia in accordance with Ordinance No. 1212 and 1378. Since the individual can no longer be considered to have been an occasional entrant, the employer is further required to remit taxes on income earned in Leetonia by the individual for the first twelve days.

If the individual is self-employed, it shall be the responsibility of the individual to remit the appropriate income tax to the Village of Leetonia.

The 12-day occasional entry rule does not apply to entertainers or professional athletes, their employees or individuals who perform services on their behalf, or to promoters and booking agents of such entertainment events and sporting events.

Income tax withheld by a non-resident employer and paid to Leetonia as a result of the employer being subject to the \$150 de minimus provision cannot be refunded to an individual under the 12-day occasional entry provision.

B. \$150 de minimus rule:

If not currently required to withhold Leetonia income tax, then a non-resident employer, agent of such employer, or other payer not situated in Leetonia shall not further be required to withhold Leetonia income tax from remuneration paid to employees of the employer until the collective tax liability of the employees initially exceeds \$150.

Independent contractors of a non-resident employer shall be deemed

employees for work performed in Leetonia on behalf of the employer, and are subject to the collective tax liability provision as if they were employees, and are not excluded from taxation.

When the collective tax liability exceeds \$150, the employer is required to begin withholding the appropriate income tax for Leetonia on behalf of all the employees performing work in Leetonia. The withheld income tax shall be remitted to Leetonia in accordance with Ordinance No. 1212 and 1378. After exceeding the \$150 de minimus amount, the employer shall continue to have no responsibility for remitting any portion of the initial \$150 liability that was not withheld.

Once the collective tax liability has exceeded the \$150, the employer must withhold income tax for Leetonia (i.e., for work performed in Leetonia) for the remainder of that calendar year and for subsequent years, even if the liability in subsequent years does not exceed \$150. However, if the tax liability for each of the three consecutive years (subsequent to that year in which the employer became liable for withholding the income tax) does not exceed \$150, the employer will be considered as not having performed work in Leetonia in regard to further tax liability, and will again be subject to the first paragraph of this article.

C. Forms:

All income tax returns, reports or other documents required under this Chapter may be filed on the forms promulgated by the Village of Leetonia or upon generic forms or such returns, reports or documents. The Village shall accept generic forms, if the generic forms, once completed and filed, contain all of the information required to be submitted with the Village of Leetonia's prescribed returns, reports or documents and if the taxpayer or return preparer filing the generic form otherwise complies with this Village's rules or ordinances governing the filing of returns, reports or documents.

D. Tax Clerk:

The prior ordinances used the term "Village Clerk." The prior ordinances shall be amended so that the term "tax clerk" shall replace and be inserted anywhere the term "Village Clerk" was used in the prior ordinances.

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E. Extensions

The tax clerk shall extend the time for filing of the annual Village tax return upon the filing of a copy of the taxpayer's request for a federal extension. No extension may exceed six (6) months or one (1) month beyond the extension requested of or granted by the Internal Revenue Service for filing of the federal income tax return, and will not be approved for a period less than the federal extension request. The request for extension shall be filed no later than the last day for filing the municipal income tax return as prescribed by ordinance or rule of the Village of Leetonia. The Village may require a tentative return accompanied by payment of the amount shown to be due thereon by the date the return is normally due. The Village may deny a taxpayer's request for extension only if the taxpayer fails to timely file the request, fails to file a copy of the request for the federal extension, owes this Village any delinquent income tax or any penalty, interest, assessment or other charge for the late payment or nonpayment of income tax, or has failed to file

any required income tax return, report, or other related document for a prior tax period. The granting of an extension for filing this Village's income tax return does not extend the last date for paying the tax without penalty unless the Village grants an extension of the date.

SECTION TWO: The provisions of this Ordinance shall be effective January 1, 2001 as required by State Law.

Passed March 21, 2001

Attest:


June I. Garlough, Village Clerk


Arthur V. Altomare, Village Mayor

Walter L. Newton, Jr., Solicitor

First Reading February 21, 2001

Second Reading March 7, 2001

Third Reading March 21, 2001