

**INCOME TAX
RULES AND REGULATIONS**

**IN ACCORDANCE WITH
ORDINANCE 2015-34
VILLAGE OF CADIZ**

EFFECTIVE TAX YEAR BEGINNING 1/1/2016

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Village of Cadiz Income Tax Rules and Regulations

Effective 1/1/2016

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Section 1
PURPOSE

To provide funds for the purposes of general Municipal operations, maintenance, new equipment, extension and enlargement of Municipal services and facilities and capital improvements of the Village of Cadiz there shall be, and is hereby levied a tax on income, qualifying wages, commissions and other compensation earned and/or received and on net profits as hereinafter provided.

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 qualifying wages, commissions, and other compensation earned and/or received by residents of the Village of Cadiz; on all qualifying wages, commissions, and other compensation earned and/or received by non-residents of the Village of Cadiz; for work done or services performed or rendered in the Village of Cadiz; on all net profits earned by residents of the Municipality; on the net profits earned by all businesses, professions or other activities conducted in the Village of Cadiz by non-residents, and on the net profits earned by all corporations doing business in the Village of Cadiz as well as the result of work done or services performed or rendered in the Village of Cadiz, 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 Cadiz; providing for the administration, collection and enforcement of said tax; declaring violation thereof to be a misdemeanor and imposing penalties thereof.

All receipts of tax collected are allocated to the General Fund with distribution made to the following funds:

- 2% Equipment Fund
- 3% Street Paving

Section 2

PURPOSE OF THE RULES AND REGULATIONS

The Ohio Revised Code Chapter 718: Municipal Income Tax effective January 1, 2016 contains the majority of the rules and regulations related to the administration of the Village of Cadiz income taxes. The Village of Cadiz Income Tax Rules and Regulations are provided to give additional guidance to individual taxpayers and highlight specific areas of Ohio Revised Code Chapter 718. The Rules and Regulations are not designed to replace or supersede Ohio Revised Code Chapter 718. Any deviations from the compliance with Ohio Revised Code Chapter 718 is purely unintentional. These Rules and Regulations are considered as part of the Village of Cadiz Income Tax Ordinance 2015-34.

Section 3

DEFINITIONS

As used in these Rules and Regulations, the following words shall have the meaning ascribed to them in this section, unless a different meaning is clearly required. Taxpayers should refer to Ohio Revised Code Chapter 718 for additional information on definitions and/or definitions that may not be included in this section.

For purposed of these Rules and Regulations, the singular shall include the plural and the masculine shall include the feminine and the neuter with regard to the terms, phrases, words and the derivatives used herein.

“ADJUSTED FEDERAL TAXABLE INCOME,” for a person required to file as a C corporation, or for a person that has elected to be taxed as a C corporation under division 23(D) of this section, means a C corporation’s federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

(A) Deduct intangible income to the extent included in federal taxable income. The deduction shall be allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income.

(B) Add an amount equal to five percent of intangible income deducted under division (1)(A) of this section, but excluding that portion of intangible income directly related to the sale, exchange, or other disposition of property described in section 1221 of the Internal Revenue Code;

€ Add any losses allowed as a deduction in the computation of federal taxable income if the losses directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code.

(D)(i) Except as provided in division (1)(D)(ii) of this section, deduct income and gain included in federal taxable income to the extent the income and gain directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code;

(ii) Division (1)(D)(i) of this section does not apply to the extent the income or gain is income or gain described in section 1245 or 1250 of the Internal Revenue Code.

€ Add taxes on or measured by net income allowed as a deduction in the computation of federal taxable income;

(F) In the case of real estate investment trust or regulated investment company, add all amounts with respect to dividends t, distributions to, or amounts set aside for or credited to the benefit of investors and allowed as a deduction in the computation of federal taxable income;

(G) Deduct, to the extent not otherwise deducted or excluded in computing federal taxable income, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section 4313.02 or the Ohio Revised Code;

(H)(i) Except as limited by divisions (1)(H)(ii), (iii) and (iv) of this section, deduct any net operating loss incurred by the person in a taxable year beginning on or after January 1, 2017.

The amount of such net operating loss shall be deducted from net profit that is reduced by exempt income to the extent necessary to reduce municipal taxable income to zero, with any remaining unused portion of the net operating loss carried forward to no more than five consecutive taxable years following the taxable year in which the loss was incurred, but in no case for more years than necessary for the deduction to be fully utilized.

(ii) No person shall use the deduction allowed by division (1)(H) of this section to offset qualifying wages.

(iii) For taxable years beginning in 2018, 2019, 2020, 2021, or 2022, a person may not deduct, for purposes of an income tax levied by municipal corporation that levies an income tax before January 1, 2016, more than fifty per cent of the amount of the deduction otherwise allowed by division (1)(H)(i) of this section.

(iv) Any pre-2017 net operating loss carryforward deduction that is available must be utilized before a taxpayer may deduct any amount pursuant to division (1)(H) of the section.

(v) Nothing in division (1)(H)(iii)(a) of this section precludes a person from carrying forward, for use with respect to any return filed for a taxable year beginning after 2018, any amount of net operating loss that was not fully utilized by operation of division (1)(H)(iii)(a) of this section. To the extent that an amount of net operating loss that was not fully utilized in one or more taxable years by operation of division (1)(H)(iii)(a) of this section is carried forward for use with respect to a return filed for a taxable year beginning in 2019, 2020, 2021, or 2022, the limitation described in division (1)(H)(iii)(a) of this section shall apply to the amount carried forward.

(I) Deduct any net profit of a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that net profit in the group's federal taxable income in accordance with division (3)(b) of Section 6.063 of this Ordinance.

(J) Add any loss incurred by a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that loss in the group's federal taxable income in accordance with division (3)(b) of Section 6.063 of this Ordinance.

If the taxpayer is not a C corporation, is not a disregarded entity that has made the election described in division (47)(B) of this section, is not a publicly traded partnership that has made the election described in division (23)(D) of this section, and is not an individual, the taxpayer shall compute adjusted federal taxable income under this section as if the taxpayer were a C corporation, except guaranteed payments and other similar amounts paid or accrued to a partner, former partner, shareholder, former shareholder, member, or former member shall not be allowed as a deductible expense unless such payments are in consideration for the use of capital and treated as payment of interest under section 469 or the Internal Revenue Code or United States treasury regulations. Amounts paid or accrued to a qualified self-employed retirement plan with respect to a partner, former partner, shareholder, former shareholder, member, or former member of the taxpayer, amounts paid or accrued to or for health insurance for a partner, former partner, shareholder, former shareholder, member, or former member, and amounts paid or accrued to or for life insurance for a partner, former partner, shareholder, former shareholder, member, or former member

shall not be allowed as a deduction. Nothing in division (1) of this section shall be construed as allowing the taxpayer to add or deduct any amount more than once or shall be construed as allowing any taxpayer to deduct any amount paid to or accrued for purposes of federal self-employment tax.

“ASSESSMENT” means the following:

(i) A written finding by the Tax Administrator that a person has underpaid municipal income tax, or owes penalty and interest, or any combination of tax, penalty, or interest, to the municipal corporation;

(ii) A full or partial denial of a refund request issued under Section 6.062(B)(3) of this Ordinance.

(iii) A Tax Administrator’s denial of a taxpayer’s request for use of an alternative apportionment method, issued under Section 6.062(B)(2) of this Ordinance;

(iv) A Tax Administrator’s requirement for a taxpayer to use an alternative apportionment method, issued under Section 6.062(B)(3) of this Ordinance.

(v) For purposes of division (2)(A)(i), (ii), (iii) and (iv) of this Section, an assessment shall commence the person’s time limitation for making an appeal to the Local Board of Tax Review pursuant to Section 18.018 of this Ordinance, and shall have **“ASSESSMENT”** written in all capital letters at the top of such finding.

“ASSESSMENT” does not include notice(s) denying a request for refund issued under Section 9.096 (B)(3) of this Ordinance, a billing statement notifying a taxpayer of current or past-due balances owed to the municipal corporation, a Tax Administrator’s request for additional information, a notification to the taxpayer of mathematical errors, or a Tax Administrator’s other written correspondence to a person or taxpayer that does not meet the criteria prescribed by division (2)(A) of this section.

“AUDIT” means the examination of a person or the inspection of the books, records, memoranda, or accounts of a person, ordered to appear before the Tax Administrator, for the purpose of determining liability for a municipal income tax

“BOARD OF REVIEW” has the same meaning as “Local Board of Tax Review”.

“CALENDAR QUARTER” means the three-month period ending on the last day of March, June, September, or December.

“CASINO OPERATOR” and **“CASINO FACILITY”** have the same meanings as in section 3772.01 of the Ohio Revised Code.

“CERTIFIED MAIL,” “EXPRESS MAIL,” “UNITED STATES MAIL,” “POSTAL SERVICE” and similar terms include any delivery service authorized pursuant to section 5703.056 of the Ohio Revised Code.

“COMPENSATION” means any form of remuneration paid to an employee for personal services.

“DISREGARDED ENTITY” means a single member limited liability company, a qualifying subchapter S subsidiary, or another entity if the company, subsidiary, or entity is a disregarded entity for federal income tax purposes.

“DOMICILE” means the true, fixed and permanent home of the taxpayer to which, whenever absent, the taxpayer intends to return.

“EXEMPT INCOME” means all of the following:

(A) The military pay or allowances of members of the armed forces of the United States or members of their reserve components, including the national guard of any state;

(B)(i) Except as provided in division (11)(B)(ii) of this sections, intangible income;

(ii) A municipal corporation that taxed any type of intangible income on March 29, 1988, pursuant to Section 3 of S.B. 238 of the 116th general assembly, may continue to tax that type of income if a majority of the electors of the municipal corporation voting on the question of whether to permit the taxation of that type of intangible income after 1988 voted in favor thereof at an election held on November 8, 1988.

€ Social security benefits, railroad retirement benefits, unemployment compensation, pension, retirement benefit payments, payments from annuities, and similar payments made to an employee or to the beneficiary of an employee under a retirement program or plan, disability payments received from private industry or local, state, or federal governments of from charitable, religious or educational organizations, and

the proceeds of sickness, accident, or liability insurance policies. As used in division (11)€ of this section, “unemployment compensation” does not include supplemental unemployment compensation described in section 3402(o)(2) of the Internal Revenue Code.

(D)The income of religious, fraternal, charitable, scientific, literary, or educational institutions to the extent such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property, or tax-exempt activities.

€Compensation paid under section 3501.28 or 3501.36 of the Ohio Revised Code to a person serving as a precinct election official to the extent that such compensation does not exceed one thousand dollars for the taxable year. Such compensation in excess of one thousand dollars for the taxable year may be subject to taxation by a municipal corporation. A municipal corporation shall not require the payer of such compensation to withhold any tax from that compensation.

(F)Dues, contributions, and similar payments received by charitable, religious, educational, or literary organizations or labor unions, lodge, and similar organizations;

(G)Alimony and child support received;

(H)Awards for personal injuries or for damages to property from insurance proceeds or otherwise, excluding compensation paid for lost salaries or wages or awards for punitive damages;

(I)Income of a public utility when that public utility is subject to the tax levied under section 5727.24 or 5727.30 of the Ohio Revised Code. Division (11) (I) of this section does not apply for purposes of Chapter 5745 of the Ohio Revised Code.

(J) Gains from involuntary conversions, interest on federal obligations, items of income subject to a tax levied by the state and that a municipal corporation is specifically prohibited by law from taxing, and income of a decedent’s estate during the period of administration except such income from the operation of a trade or business;

(K)Compensation or allowances excluded from federal gross income under section 107 of the Internal Revenue Code;

(L)Employee compensation that is not qualifying wages as defined in division (34) of this section;

(M)Compensation paid to a person employed within the boundaries of a United States Air Force base under the jurisdiction of the United States Air Force that is used for the housing of members of the United States Air Force and is a center for Air Force operations, unless the person is subject to taxation because of residence or domicile. If the compensation is subject to taxation because of residence or domicile, tax on such income shall be payable only to the municipal corporation of residence or domicile.

(N)An S corporation shareholder’s distributive share of net profits of the S corporation, other than any part of the distributive share of net profits that represents wages as defined in section 3121(a) of the Internal Revenue Code or net earnings from self-employment as defined in section 1402(a) of the Internal Revenue code.

(O)All of the municipal taxable income earned by individuals under eighteen years of age.

(P)(i)Except as provided in divisions (11)(P)(ii), (iii), and (iv) of this section, qualifying wages described in division (B)(1) or € of Section 5.052 of this Ordinance to the extent the qualifying wages are not subject to withholding for the Municipality under either of those divisions.

(ii)The exemption provided in division (11)(P)(i) of this section does not apply with respect to the municipal corporation in which the employee resided at the time the employee earned the qualifying wages.

(iii)The exemption provided in division (11)(P)(i) of this section does not apply to qualifying wages that an employer elects to withhold under division (D)(2) of Section 5.052 of this Ordinance.

(iv)The exemption provided in division (11)(P)(i) of this section does not apply to qualifying wages if both of the following conditions apply:

(a)For qualifying wages described in division (B)(1) of Section 5.052 of this Ordinance, the employee’s employer withholds and remits tax on the qualifying wages to the

municipal corporation in which the employee's principal place of work is situated, or, for qualifying wages described in division € of Section 5.052 of this Ordinance, the employee's employer withholds and remits tax on the qualifying wages to the municipal corporation in which the employer's fixed location is located;

(11)(P)(iv)(a) (b)The employee receives a refund of the tax described in division (11)(P)(iv)(a) of this section on the basis of the employee not performing services in that municipal corporation.

(Q)(i)Except as provided in division (11)(Q)(ii) or (iii) of this section, compensation that is not qualifying wages paid to a nonresident individual for personal services performed in the Municipality on not more than twenty days in a taxable year.

(ii)The exemption provided in division (11)(Q)(i) of this section does not apply under either of the following circumstances:

(a)The individual's base of operation is located in the Municipality.

(b)The individual is a professional athlete, professional entertainer, or public figure. For purposes of division (11)(Q)(ii)(b) of this section, "professional athlete," "professional entertainer," and "public figure" have the same meanings as in Section 5.052 of this Ordinance.

(iii)Compensation to which division (11)(Q) of this section applies shall be treated as earned or received at the individual's base of operation. If the individual does not have a base of operation, the compensation shall be treated as earned or received where the individual is domiciled.

(iv)For purposes of division (11)(Q) of this section, "base of operation" means the location where an individual owns or rents an office, storefront, or similar facility to which the individual regularly reports and at which the individual regularly performs personal services for compensation.

€Compensation paid to a person for personal services performed for a political subdivision on property owned by the political subdivision, regardless of whether the compensation is received by an employee of the subdivision or another person performing services for the subdivision under a contract with the subdivision, if the property on which services are performed is annexed to a municipal corporation pursuant to section 709.023 of the Ohio Revised Code on or after March 27, 2013, unless the person is subject to such taxation because of residence. If the compensation is subject to taxation because of residence, municipal income tax shall be payable only to the municipal corporation of residence.

(S)Income the taxation of which is prohibited by the constitution or laws of the United States.

Any item of income that is exempt income of a pass-through entity under division (11) of this section is exempt income of each owner of the pass-through entity to the extent of that owner's distributive or proportionate share of that item of the entity's income.

"FORM 2106" means internal revenue service form 2106 filed by a taxpayer pursuant to the Internal Revenue Code.

"GENERIC FORM" means an electronic or paper form that is not prescribed by a particular municipal corporation and that is designed for reporting taxes withheld by an employer, agent of an employer, or other payer, estimated municipal income taxes, or annual municipal income tax liability, including a request for refund.

"INCOME" means the following:

(ii) (i)For residents, all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the resident, including the resident's distributive share of the net profit of pass-through entities owned directly or indirectly by the resident and any net profit of the resident, except as provided in division (23)(D) of this section.

(ii)For the purposes of division (14)(A)(i) of this section:

(a) Any net operating loss of the resident incurred in the taxable year and the resident's distributive share of any net operating loss generated in the same taxable year and attributable to the resident's ownership interest in a pass-through entity shall be allowed a deduction, for that taxable year and the following five taxable years, against any other net profit of the resident or the resident's distributive share of any net profit attributable to the resident's ownership interest in a pass-through entity until fully utilized, subject to division (14)(A)(iv) of this section;

(b) The resident's distributive share of the net profit of each pass-through entity owned directly or indirectly by the resident shall be calculated without regard to any net operating loss that is carried forward by that entity from a prior taxable year and applied to reduce the entity's net profit for the current taxable year.

(iii) Division (14)(A)(ii) of this section does not apply with respect to any net profit or net operating loss attributable to an ownership interest in an S corporation unless shareholders' distributive shares of net profits from S corporations are subject to tax in the municipal corporation as provided in 11(N) of this Section.

(iv) Any amount of net operating loss used to reduce a taxpayer's net profit for a taxable year shall reduce the amount of net operating loss that may be carried forward to any subsequent year for use by that taxpayer. In no event shall the cumulative deductions for all taxable years with respect to a taxpayer's net operating loss exceed the original amount of that net operating loss available to that taxpayer.

(B) In the case of nonresidents, all income, salaries, qualifying wages, commissions, and other compensation from whatever source earned or received by the nonresident for work done, services performed or rendered, or activities conducted in the Municipality, including any net profit of the nonresident, but excluding the nonresident's distributive share of the net profit or loss on only pass-through entities owned directly or indirectly by the nonresident.

€ For taxpayers that are not individuals, net profit of the taxpayer;

(D) Lottery, sweepstakes, gambling and sports winnings, winnings from games of chance, and prizes and awards. If the taxpayer is a professional gambler for federal income tax purposes, the taxpayer may deduct related wagering losses and expenses to the extent authorized under the Internal Revenue Code and claimed against such winnings. Credit for tax withheld or paid to another municipal corporation on such winnings paid to the municipal corporation where winnings occur is limited to the credit as specified in Section 8.081 of this Ordinance.

“INTANGIBLE INCOME” means income of any of the following types: income yield, interest, capital gains, dividends, or other income arising from the ownership, sale exchange, or other disposition of intangible property including, but not limited to, investments, deposits, money, or credits as those terms are defined in Chapter 5701 of the Ohio Revised Code, and patents, copyrights, trademarks, trade names, investments in real estate investment trusts, investments in regulated investment companies, and appreciation on deferred compensation. “Intangible income” does not include prizes, awards, or other income associated with any lottery winnings, gambling winnings, or other similar games of chance.

“INTERNAL REVENUE CODE” means the “Internal Revenue Code of 1986,” 100 Sta. 2085, 26 U.S.C.A. 1, as amended.

“LIMITED LIABILITY COMPANY” means a limited liability company formed under Chapter 1705 of the Ohio Revised Code or under the laws of another state.

“LOCAL BOARD OF TAX REVIEW” and **“BOARD OF TAX REVIEW”** means the entity created under Section 18.018 of this Ordinance.

“MUNICIPAL CORPORATION” means, in general terms, a status conferred upon a local government unit, by state law giving the unit certain autonomous operating authority such as the power of taxation, power of eminent domain, police power and regulatory power, and includes a joint economic development district

or joint economic development zone that levies an income tax under section 715.691, 715.70, 715.71, or 715.74 of the Ohio Revised Code.

“MUNICIPAL TAXABLE INCOME” means the following:

(i) For a person other than an individual, income reduced by exempt income to the extent otherwise included in income and then, as applicable, apportioned or situated to the Municipality under Section 6.062 of this Ordinance, and further reduced by any pre-2017 net operating loss carryforward available to the person for the Municipality.

(ii)(a) For an individual who is a resident of a Municipality other than a qualified municipal corporation, income reduced by exempt income to the extent otherwise included in income, then reduced as provided in division (20)(B) of this section, and further reduced by any pre-2017 net operating loss carryforward available to the individual for the Municipality.

(b) For an individual who is a resident of a qualified municipal corporation, Ohio adjusted gross income reduced by income exempted, and increased by deductions excluded, by the qualified municipal corporation from the qualified municipal corporation’s tax on or before December 31, 2013. If a qualified municipal corporation, on or before December 31, 2013, exempts income earned by individuals who are not residents of the qualified municipal corporation and net profit of persons that are not wholly located within the qualified municipal corporation, such individual or person shall have no municipal taxable income for the purposes of the tax levied by the qualified municipal corporation and may be exempted by the qualified municipal corporation from the requirements of section 7148.03 of the Ohio Revised Code.

(iii) For an individual who is a nonresident of the Municipality, income reduced by exempt income to the extent otherwise included in income and then, as applicable, apportioned or situated to the Municipality under Section 6.062 of this Ordinance, then reduced as provided in division (20)(B) of this section, and further reduced by any pre-2017 net operating loss carryforward available to the individual for the Municipality.

(B) In computing the municipal taxable income of a taxpayer who is an individual, the taxpayer may subtract, as provided in division (20)(A)(ii)(a) or (iii) of this section, the amount of the individual’s employee business expenses reported on the individual’s form 2106 that the individual deducted for federal income tax purposes for the taxable year, subject to the limitation imposed by section 67 of the Internal Revenue Code. For the municipal corporation in which the taxpayer is a resident, the taxpayer may deduct all such expenses allowed for federal income tax purposes. For a municipal corporation in which the taxpayer is not a resident, the taxpayer may deduct such expenses only to the extent the expenses are related to the taxpayer’s performance of personal services in that nonresident municipal corporation.

“MUNICIPALITY” means the Village of Cadiz.

“NET OPERATING LOSS” means a loss incurred by a person in the operation of a trade or business.

“Net operating loss” does not include unutilized losses resulting from basis limitations, at-risk limitations, or passive activity loss limitations.

“NET PROFIT” (A) for a person other than an individual means adjusted federal taxable income.

(B) **“NET PROFIT”** for a person who is an individual means the individual’s net profit required to be reported on schedule C, schedule E, or schedule F reduced by any net operating loss carried forward. For the purposes of division the net operating loss carried forward shall be calculated and deducted in the same manner as provided in division (1)(H) of this section.

€For purposes of this ordinance, and notwithstanding division (23)(A) of this section, net profit of a disregarded entity shall not be taxable as against that disregarded entity, but shall instead be included in the net profit of the owner of the disregarded entity.

(D)(i)For purposes of this ordinance, “publicly traded partnership” mean any partnership, an interest in which is regularly traded on an established securities market. A “publicly traded partnership” may have any number of partners.

(ii)For the purposes of this ordinance, and not withstanding any other provision of this ordinance, the net profit of a publicly traded partnership that makes the election described in division (23)(D) of this section shall be taxed as if the partnership were a C corporation, and shall not be treated as the net profit or income of any owner of the partnership.

(iii)A publicly traded partnership that is treated a s partnership for federal income tax purposes and that is subject to tax on its net profits in one or more municipal corporations in this state may elect to be treated a C corporation for municipal income tax purposes. The publicly traded partnership shall make the election in every municipal corporation in which the partnership is subject to taxation on its net profits. The election shall be made on the annual tax return filed in each such municipal corporation. Once the election is made, the election is binding for a five-year period beginning with the first taxable year of the initial election. The election continues to be binding for each subsequent five-year period unless the taxpayer elects to discontinue filing municipal income tax returns as a C corporation for municipal purposes under division(D)(iv) of this section.

(iv)An election to discontinue filing as a C corporation must be made in the first year following the last year of a five-year election period in effect under division (D) (iii) of this section. The election to discontinue filing as a C corporation is binding for a five-year period beginning with the first taxable year of the election and continues to be binding for each subsequent five-year period unless the taxpayer elects to discontinue filing municipal income tax returns as a partnership for municipal purposes. An election to discontinue filing as a partnership must be made in the first year following the last year of a five-year election period.

(v)The publicly traded partnership shall not be required to file the election with any municipal corporation in which the partnership is not subject to taxation on its net profits, but division (D) of this section applies to all municipal corporations in which an individual owner of the partnership resides.

(vi)The individual owners of the partnership not filing as a C Corporation shall be required to file with their municipal corporation of residence, and report partnership distribution of net profit.

“NONRESIDENT” means an individual that is not a resident of the Municipality.

“OHIO BUSINESS GATEWAY” means the online computer network system, created under section 125.30 of the Ohio Revised Code, that allows persons to electronically file business reply forms with state agencies and includes any successor electronic filing and payment system.

“OTHER PAYER” means any person, other than an individual’s employer or the employer’s agent, that pays an individual any amount included in the federal gross income of the individual, “Other payer” includes casino operators and video lottery terminal sales agents.

“PASS-THROUGH ENTITY” means a partnership not treated as an association taxable as a C corporation for federal income tax purposes, a limited liability company not treated as an association taxable as a C corporation for federal income tax purposes, an S corporation, or any other class of entity from which the income or profits of the entity are given pass-through treatment for federal income tax purposes. “Pass-through entity” does not include a trust, estate, grantor of a grantor trust, or disregarded entity.

“PENSION” means any amount paid to an employee or former employee that is reported to the recipient on an IRS form 1099-R, or successor form. Pension does not include deferred compensation, or amounts attributable to nonqualified deferred compensation plans, reported as FICA/Medicare wages on an IRS form W-2, Wage and Tax Statement, or successor form.

“PERSON” includes individuals, firms, companies, joint stock companies, business trusts, estates, trusts, partnerships, limited liability partnerships, limited liability companies, associations, C corporations, S corporations, governmental entities, and any other entity.

“POSTAL SERVICE” means the United States postal service, or private delivery service delivering documents and packages within an agreed upon delivery schedule, or any other carrier service delivering the item.

“POSTMARK DATE,” “DATE OF POSTMARK,” and similar terms include the date recorded and marked by a delivery service and recorded electronically to a database kept in the regular course of its business and marked on the cover in which the payment or document is enclosed, the date on which the payment or document was given to the delivery service for delivery.

“PRE-2017 NET OPERATING LOSS CARRYFORWARD” (A) means any net operating loss incurred in a taxable year beginning before January 1, 2017, to the extent such loss was permitted, by a resolution or ordinance of the Municipality that was adopted by the Municipality before January 1, 2016, to be carried forward and utilized to offset income or net profit generated in such Municipality in future taxable years. (B) For the purpose of calculating municipal taxable income, any pre-2017 net operating loss carry forward may be carried forward to any taxable year, including taxable years beginning in 2017 or thereafter, for the number of taxable years provided in the resolution or ordinance or until fully utilized, whichever is earlier.

“QUALIFIED MUNICIPAL CORPORATION” means a municipal corporation that, by resolution or ordinance adopted on or before December 31, 2011, adopted Ohio adjusted gross income as defined by section 5747.01 of the Ohio Revised Code, as the income subject to tax for the purposes of imposing a municipal income tax.

“QUALIFYING WAGES” means wages, as defined in section 3121(a) of the Internal Revenue Code, without regard to any wage limitations adjusted as follows:

(A) Deduct the following amounts:

(i) Any amount included in wages if the amount constitutes compensation attributable to a plan or program described in section 125 of the Internal Revenue Code.

(ii) Any amount included in wages if the amount constitutes payment of account of a disability related to sickness or an accident paid by a party unrelated to the employer, agent of an employer, or other payer.

(iii) Any amount included in wages that is exempt income.

(B) Add the following amounts:

(i) Any amount not included in wages solely because the employee was employed by the employer before April 1, 1986.

(ii) Any amount not included in wages because the amount arises from the sale, exchange, or other disposition of a stock option, the exercise of a stock option, or the sale, exchange, or other disposition of stock purchased under a stock option. Division (34)(B)(ii) of this section applies only to those amounts constituting ordinary income.

(iii) Any amount not included in wages if the amount is an amount described in section 401(k), 403(b), or 457 of the Internal Revenue Code. Division (34)(B)(iii) of this section applies only to employee contributions and employee deferrals.

(iv) Any amount that is supplemental unemployment compensation benefits described in section 3402(o)(2) of the Internal Revenue Code and not included in wages.

(v) Any amount received that is treated as self-employment income for federal tax purposes in accordance with section 1402(a)(8) of the Internal Revenue Code.

(vi) Any amount not included in wages if all of the following apply:

(a) For the taxable year the amount is employee compensation that is earned outside of the United States and that either is included in the taxpayer's gross income for federal income tax purposes or would have been included in the taxpayer's gross income for such purposes if the taxpayer did not elect to exclude the income under section 911 of the Internal Revenue Code;

(b) For no preceding taxable year did the amount constitute wages as defined in section 3121(a) of the Internal Revenue Code;

€ For no succeeding taxable year will the amount constitute wages; and

(d) For any taxable year the amount has not otherwise been added to wages pursuant to either division (34)(B) of this section or section 718.03 of the Ohio Revised Code, as that section existed before the effective date of

H.B.5 of the 130th general assembly, March 23, 2015.

“RELATED ENTITY” means any of the following:

(A) An individual stockholder, or a member of the stockholder's family enumerated in section 318 of the Internal Revenue Code, if the stockholder and the members of the stockholder's family own directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty per cent of the value of the taxpayer's outstanding stock;

(B) A stockholder, or a stockholder's partnership, estate, trust, or corporation, if the stockholder and the stockholder's partnerships, estates, trusts, or corporations own directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty per cent of the value of the taxpayer's outstanding stock;

€ A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under division (35)(D) of this section, provided the taxpayer owns directly, indirectly, beneficially, or constructively, at least fifty per cent of the value of the corporation's outstanding stock;

(D) The attribution rules described in section 318 of the Internal Revenue Code apply for the purpose of determining whether the ownership requirements in divisions (35)(A) to (C) of this section have been met.

“RELATED MEMBER” means a person that, with respect to the taxpayer during all or any portion of the taxable year, is either a related entity, a component member as defined in section 1563(b) of the Internal Revenue Code, or a person to or from whom there is attribution of stock ownership in accordance with section 1563€ of the Internal Revenue Code except, for purposes of determining whether a person is a related member under this division, “twenty per cent” shall be substituted for “5 percent” wherever “5 percent” appears in section 1563€ of the Internal Revenue Code.

“RESIDENT” means an individual who is domiciled in the Municipality as determined under Section 4.042 of this ordinance.

“S CORPORATION” means a person that has made an election under subchapter S of Chapter 1 of Subtitle A of the Internal Revenue Code for its taxable year.

“SCHEDULE C” means internal revenue service schedule C (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

“SCHEDULE E” means internal revenue service schedule E (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

“SCHEDULE F” means internal revenue service schedule F (form 1040) filed by a taxpayer pursuant to the Internal Revenue Code.

“SINGLE MEMBER LIMITED LIABILITY COMPANY” means a limited liability company that has one direct member.

“SMALL EMPLOYER” means any employer that had a total revenue of less than five hundred thousand dollars during the preceding taxable year. For purposes of this division, “total revenue” means receipts of any type or kind, including, but not limited to, sales receipts; payments; rents; profits; gains, dividends, and other investment income; commissions premiums; money; property; grants; contributions; donations; gifts; program service revenue; patient service revenue; premiums; fees, including premium fees and service fees; tuition payments; unrelated business revenue; reimbursements; any type of payment from a governmental unit, including grants and other allocations; and any other similar receipts reported for federal income tax purposes or under generally accepted accounting principles. “Small employer” does not include the federal government; any state government, including any state agency or instrumentality; any political subdivision; or any entity treated as a government for financial accounting and reporting purposes.

“TAX ADMINISTRATOR” means the individual charged with direct responsibility for administration of an income tax levied by a municipal corporation in accordance with this ordinance, and also includes the following:

(A) A municipal corporation acting as the agent of another municipal corporation;

(B) A person retained by a municipal corporation to administer a tax levied by the municipal corporation, but only if the municipal corporation does not compensate the person in whole or in part on a contingency basis;

€The Central Collection Agency (CCA) or the Regional Income Tax Agency (RITA) or their successors in interest, or another entity organized to perform functions similar to those performed by the Central Collection Agency and the Regional Income Tax Agency.

“TAX RETURN PREPARER” means any individual described in section 7701(a)(36) of the Internal Revenue CODE AND 26 C.F.R.301.7701-15.

“TAXABLE YEAR” means the corresponding tax reporting period as prescribed for the taxpayer under the Internal Revenue Code.

“TAXPAYER” (A) means a person subject to a tax levied on income by a municipal corporation in accordance with this ordinance. “Taxpayer” does not include a grantor trust or, except as provided in division (47)(B)(i) of this section, a disregarded entity.

(B)(i) A single member limited liability company that is a disregarded entity for federal tax purposes may be a separate taxpayer from its single member in all Ohio municipal corporations in which it either filed as a separate taxpayer or did not file for its taxable year ending in 2003, if all of the following conditions are met:

(a) The limited liability company’s single member is also a limited liability company.

(b) The limited liability company and its single member were formed and doing business in one or more Ohio municipal corporations for a least five years before January 1, 2004.

€Not later than December 31, 2004, the limited liability company and its single member each made an election to be treated as a separate taxpayer under division (L) of section 718.01 of the Ohio Revised Code as this section existed on December 31, 2004.

(d) The limited liability company was not formed for the purpose of evading or reducing Ohio municipal corporation income tax liability of the limited liability company or its single member.

€The Ohio municipal corporation that was the primary place of business of the sole member of the limited liability company consented to the election.

(ii) For purposes of division (47)(B)(i) of this section, a municipal corporation was the primary place of business of a limited liability company if, for the limited liability company’s taxable year ending in 2003, its income tax liability was greater in that municipal corporation than in any other municipal corporation in Ohio, and that

tax liability to that municipal corporation for its taxable year ending in 2003 was at least four hundred thousand dollars.

“TAXPAYERS’ RIGHTS AND RESPONSIBILITIES” means the rights provided to taxpayers in sections 718.11, 718.12, 718.19, 718.23, 718.36, 718.37, 718.38, 5717.011, and 5717.03 of the Ohio Revised Code and any corresponding ordinances of the Municipality, and the responsibilities of taxpayers to file, report, withhold, remit, and pay municipal income tax and otherwise comply with Chapter 718 of the Ohio Revised Code and resolutions, ordinances and rules adopted by a municipal corporation for the imposition and administration of a municipal income tax.

“VIDEO LOTTERY TERMINAL” has the same meaning as in section 3770.21 of the Ohio Revised Code.

“VIDEO LOTTERY TERMINAL SALES AGENT” means a lottery sales agent licensed under Chapter 3770 of the Ohio Revised Code to conduct video lottery terminals on behalf of the state pursuant to section 3770.21 of the Ohio Revised Code.

(Source: Most definitions can be found in ORC 718.01)

Section 4
IMPOSITION OF TAX

An annual tax of one percent (1%) is imposed on all taxable income received or accrued on or after January 1, 1977 during the effective period of the Ordinance.

Section 5
DIRECT ACCOUNTS
(FILING WITH SOCIAL SECURITY NUMBER)

A. Direct Accounts for Individuals and Small Businesses (filing with Social Security number)

1. Resident individuals: All resident individuals shall, as they establish residency within the Village of Cadiz, complete an individual questionnaire in its entirety, for the purpose of determining their tax liability, and the tax liability of persons residing within the household. This form is available upon request in the Income Tax Office or from the website (villageofcadiz.com) and shall be completed and returned to the office within 30 days of occupancy within the Village. All resident individuals, regardless of the length of their residency within the Village, shall complete Questionnaires upon the request of the Income Tax Administrator and return the same within 15 working days. Should the resident fail to return the completed Questionnaire within the specified time, a second notice will be sent. If no response is received to the second notice, an account will be activated and all residents known to reside at that address will be required to file a Village income tax return, whether or not a direct liability to the Village exists.

2. Non-resident individuals working within the corporation limits of the Village or for the Village and on whose qualifying wages, commissions or any other compensation constituting taxable income under the Ordinance, if the employer is not required to withhold Cadiz Village income tax, shall advise the Income Tax Office of their direct liability within 30 days of such employment. An individual questionnaire shall be completed and returned within 15 working days following the employment notification.

3. Business entities: it is the duty of each business entity doing business within or for the Village to identify their business with the Income Tax Office within 15 working days of establishing their business, through the completion of a Business Questionnaire. It is also the duty of each business to identify subcontractors working for their businesses.

4. Having a rental property within the Village is considered doing business within the Village.

5. It shall be the responsibility of the taxpayer to inform the Income Tax Administrator, in writing of any change of the taxpayer's address within 30 days of the change.

B. Date and Requirement for Filing Direct Returns:

1. On or before the date prescribed by ORC 718, every person and business entity subject to the Village's income tax shall, except as provided in the exceptions below, make and file with the Income Tax Department an annual return on the form provided by the Village of a generic income tax form whether or not tax is due. This is also known as mandatory filing.

2. If the return is made for a fiscal year or any period less than a year, the return shall be made by the 15th day of the fourth month following the end of such fiscal year or other period.

3. A husband and wife may file a joint return.

4. Any retired person, with no Village taxable earned income, no businesses or any type of self-employment (including rental properties) and no gambling winnings are not required to file an annual Village income tax return, beginning with the first tax year after retirement. On a joint return, both spouses must be retired to be eligible for both individuals to stop filing an annual return.

5. The filing of an annual Village income tax return will be waived for residents with no Village taxable income and with medical/mental disabilities that make them unable to work. Proper documentation must be provided in order for a taxpayer to be put on this status.

6. A servicemember or their spouse do not lose or acquire a residence or domicile for purposes of taxation by reason of being absent or present in any tax jurisdiction of the United States solely for military service or to be with their spouse servicemember in compliance with the servicemember's military orders if the residence or domicile is the same for the service member and their spouse. Active duty servicemembers and their spouses residing together within the Village only to comply with active duty military orders and who have continued to maintain a residence or domicile outside the Village, are not required to file a Village Income Tax return if the appropriate State of Ohio form proving non-residence is submitted to the Income Tax Department annually on or before tax return date for calendar filers. An exception to this rule is if the active duty servicemember or their spouse has a business located in or doing business within the Village since all business income generated within the Village is taxable or if the active duty servicemember has any type of income for services other than their active duty military pay.

7. An employee is not relieved from liability for a tax by the failure of the employer, agent of an employer, or other payer to withhold the tax as required or by the employer's, agent's, or other payer's exemption from the requirement to withhold the tax.

C. Other Information Required to Reconcile with Federal Returns:

1. Resident individual taxpayers who file Form 1040 or Form 1040A with the Internal Revenue Service, must include with their Village return, copies of the 1040 or 1040A (if applicable to report income not included on any other Federal Schedule or when deducting 2106 Expenses) along with copies of the following Federal Schedules as filed with their Federal returns:

- (a) All W-2 Wage and Gambling Winning Information Forms. To receive credit for Cadiz or other city tax withheld, the W-2's submitted must indicate the city for which tax was withheld, along with the city taxable gross and city tax withheld. If the employee is subject to Medicare tax, a W-2 must be submitted showing Medicare taxable wages.
- (b) Schedule C-Profit or Loss from Business or Profession.
- (c) Form 4797- Supplemental Schedule of Gains and Losses (Recovery of Depreciation-ordinary income only)
- (d) Schedule E- Supplemental Income Schedule

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- (e) Schedule F- Farm Income and Expenses
- (f) Form 2106- Employee Business Expense
- (g) Schedule K-1 (Form 1065)-Partner's Share of Income, Credits and Deductions, etc.
- (h) Form 1099-MISC-Non-Employee Compensation, Gambling Winnings
- (i) Schedule A- Itemized Deductions

2. Non-resident individual taxpayers who file Form 1040 or Form 1040A with the Internal Revenue Service, must include with their Village returns, any of the above mentioned Federal Schedules that apply to income earned or accrued within or from the Village, whether or not that income is taxable under the Ordinance in whole or in part.

3. Trustees of active trusts are required to file returns and pay the tax on the taxable income thereof. Federal Form 1041 (U.S. Fiduciary Income Tax Return) must be included with the Village return.

- (a) Partnerships
- (b) All resident partnerships will file a return. A complete Federal Form 1065 (U.S. Partnership Return of Income) must be included with the Village return.
- (c) Non-resident partnerships having net profits attributable to the Village, will file a return as stated above and adjusted to the requirements of the Ordinance, but shall pay the tax due as an entity.
- (d) In the case of a resident individual partner or part owner of a non-resident business, the partner's distributive share of the net profits is reported with the individual's return via Schedule K-1.

D. Village Taxable Income for Individuals (those filing a return under a Social Security Number)*

**Most common only-not a complete list- see ORC 718.01 for a complete list*

1. For most individual taxpayers, city taxable wages will be the Medicare wages shown on the W-2.
2. Determination of the Village taxable wages:
Qualifying wages earned by residents or earned within the Village. Qualifying wages means wages as defined in Section 3121(a) of the Internal Revenue Code, without regard to any wage limitations, adjusted as follows

Deduct the following amounts:

- (a) Any amount included in wages if the amount constitutes compensation attributable to a plan or program described in Section 125 of the Internal Revenue Code.
- (b) Any amount included in wages if the amount constitutes payment on account of a disability related to sickness or an accident paid by a party unrelated to the employer, agent of the employer, or other payer.
- (c) Any amount included in wages that is exempt income.

Add the following amounts:

- (a) Any amount not included in the wages solely because the employee was employed by the employer before April 1, 1986.
- (b) Any amount not included in wages because the amount arises from the sale, exchange, or other disposition of a stock option, exercise of a stock option, or the sale, exchange of other disposition of stock purchased under a stock option. This applies only to amounts constituting ordinary income.

- (c) Any amount not included in the wages if the amount is an amount described in Section 401(k), 403(b), or 457 of the Internal Revenue Code. This applies only to employee contributions and employee deferrals.
- 3. Personal earnings of all individuals eighteen (18) years of age or over are city taxable.
- 4. Lottery, sweepstakes, gambling and sports winnings, winnings from games of chance, and prizes and awards are Village taxable income. If the taxpayer is a professional gambler for Federal Income Tax purposes, the taxpayer may deduct related wagering losses and expenses to the extent authorized under the Internal Revenue Code and claimed against such winnings.
- 5. Precinct election official compensation in excess of one thousand dollars (\$1,000) for the taxable year is Village taxable.
- 6. Compensation paid for lost salaries or wages or compensation from punitive damages are Village taxable.
- 7. Net profit for a person who is an individual is Village taxable. "Net Profit" for an individual means the individual's net profit required to be reported on Schedule C, Schedule E, or Schedule F reduced by any net operating loss carryforward. If the individual does not file a Schedule C to report self-employment earnings, the Federal 1099 forms related to this income must be provided with the Village return. If the individual received partnership income on a K-1, this income is taxable and must be reported on the Village return but the individual will receive credit for any Village income tax already paid on this income by the partnership.

E. Income Exempt from Village Tax for Individuals (those filing a return under a Social Security Number)*

**Most common only- not a complete list-see ORC 718.01 for a complete list.*

- 1. Military pay or allowances of members of the Armed Forces of the United States or members of their reserve components, including the National Guard of any state.
- 2. Intangible Income. "Intangible income" means income of any of the following types: income yield, interest, capital gains, dividends, or other income arising from the ownership, sale, exchange, or other disposition of intangible property including, but not limited to, investments, deposits, money, or credits as those terms are defined in Chapter 5701. of the Ohio Revised Code, and patents, copyrights, trademarks, trade names, investments in real estate investment trusts, investments in regulated investment companies, and appreciation on deferred compensation. "Intangible income" does not include prizes, awards, or other income associated with any lottery winnings, gambling winnings, or other similar games of chance.
- 3. Social Security benefits, railroad retirement benefits, pensions, retirement benefit payments, payments from annuities, and similar payments made to an employee or a beneficiary of an employee under a retirement program or plan.
- 4. Disability payments received for private industry or local, state, or federal governments or from charitable, religious, or educational organizations, and the proceeds of sickness, accident or liability insurance policies.
- 5. Unemployment compensation.
- 6. Precinct election official compensation less than one thousand dollars (\$1,000).
- 7. Alimony and child support received.
- 8. Compensation for personal injuries or for damages to property from insurance proceeds or otherwise, excluding compensation paid for lost salaries or wages or compensation from punitive damages.

F. 2016 (Employee Business Expense) deductions.

1. Individual employee business expenses reported on the individual's Federal Form 2106 that the individual deducted for federal income tax purposes for the taxable year may be deducted from the resident's Village taxable wages before the Village tax is calculated. If the taxpayer is not a resident, the taxpayer may deduct such expenses only to the extent the expenses are related to the taxpayer's performance of personal services in the Village.
2. To allow this deduction, the taxpayer must provide the following with their Village return:
 - 1040 showing that Schedule A deductions were taken on the Federal return.
 - Schedule A showing that the 2106 expenses were included on the Schedule.
 - 2106 Form showing the 2106 expenses.

Failure to provide this information will result in the 2106 expense deduction being disallowed until this information has been provided.

3. If a taxpayer files for a credit based on 2106 expenses, the Village reserves the right to contact other taxing agencies to determine if the resident taxpayer may have requested a refund of their 2106 expense from the taxing agency where they were employed.

G. Payment Plans for Individuals

1. Payment plans are available for individual taxpayers (those filing under a Social Security Number) if they show both the financial need for the payment plan and the ability to make reasonable payments. Payment plans are not available for business accounts (those filing under a Federal ID number) or withholding accounts.
2. No payment plan will be granted for a tax year until after the due date for that tax year. For example, if a return is filed on February 15, no payment plan may be requested until after the tax due date (normally April 15). The taxpayer must have a copy of their Village of Cadiz Income Tax Return available to request a payment plan since there are time periods when the return may not yet have been reviewed/posted by the Tax Department.
3. Payment plans must be signed by the taxpayer and a signed copy returned to the Tax Department to be valid. Payment plans on joint accounts (even if signed by only one party) are considered in force against both parties. No third (3rd) party may sign a payment plan.
4. The interest rate in effect for the tax year will apply to the pay plan even if the payments on the plan go beyond the tax year. For example, if a 2016 payment plan starts in November 2017, the interest rate on the entire plan will be the interest rate for tax year 2016 even if the plan's payments continue into a future tax year (or years). Interest for the entire plan is applied when the plan is created. If a payment plan is paid off in its entirety early, the taxpayer may request a written review of the plan to determine if there was interest overpaid that should be credited to the account.
5. All payment plans have payments due on or before the first (1st) of each month and no monthly reminder notices will be sent. The taxpayer is solely responsible for making the required payments each month on or before the first (1st) of each month. Failure to adhere to the terms of the payment plan will result in the account being immediately subject to legal action.

H. Extensions to File/Pay for service in or for the Armed Forces:

1. ORC 718.52 contains special extension to file and pay rules for taxpayers who are members of the National Guard and Reserve and are called to active duty and taxpayers who are civilians serving as support personnel in a combat zone. If the affected taxpayer is unable to contact the Tax Department, it is

requested that a family member or the person acting as the legal representative for the service member or civilian serving as support contact the Income Tax Department and notify us of the taxpayer's status to avoid non-filing legal action.

Section 6
DIRECT ACCOUNTS-
FILING WITH A FEDERAL ID NUMBER

A. Direct Accounts for Businesses (those filing under a Federal ID Number)

1. Tax preparers should review ORC 718 for information on determining Village taxable income for business returns.
2. Identification and filing Business Returns:
 - (a) Business entities: It is the duty of each business entity doing business within or for the Village to identify their business with the Income Tax Department within fifteen (15) working days of establishing their business, through the completion of a Business Questionnaire. It is also the duty of each business to identify subcontractors working for their businesses and to submit to the Village Income Tax Department.
 - (b) It shall be the responsibility of the taxpayer to inform the Income Tax Department, in writing, of any change of the taxpayer's address within 30 days of such change.

B. Date and Requirements for Filing Direct Returns:

1. On or before the date prescribed by ORC 718, every person and business entity subject to Village Income Tax shall, except as provided in the exception below, make and file with the Income Tax Department an annual return on the form provided by the Village or a generic income tax form whether or not tax is due. this process is also known as mandatory filing.
2. If the return is made for a fiscal year or any period less than a year, the return shall be made by the 15th day of the fourth month following the end of such fiscal year or other period.
3. Partnerships:
 - (a) All resident partnerships will file a return. A complete Federal Form 1065 (U.S. Partnership Return of Income) must be included with the Village return. Payment of any tax due will be paid by the partnership as an entity.
 - (b) Non-resident partnerships having net profits attributable to the Village, will file a return as stated above and adjusted to the requirements of the Ordinance and ORC 718, but shall pay the tax due as an entity.
 - (c) In the case of a resident individual partner or part owner of a non-resident business, the partner's distributive share of net profits is reported with the individual's return via Schedule K-1.
4. Corporations will include with the Village return, a copy of Federal Form 1120 (U.S. Corporate Income Tax Return) or 1120S (U.S. Small Business Corporation Income Tax Return), including Form 4797 (Supplemental Schedule of Gains and Losses), when applicable. In addition, when deducting that portion of the Ohio Corporation Franchise Tax based on net worth, a copy of the Ohio Corporation Franchise Tax Report (Form FT 1120) must be included to substantiate the deduction. In the case of a tax option corporation, a resident owner or part owner of a non-resident S Corporation, the owner's distributive share of net profits is reported with the individual's Village return to the extent it is taxable to the Municipality.
5. A Village Income Tax Return shall not be considered as filed until it is received complete with all the above listed applicable Federal Schedules by the Income Tax Department. All

incomplete returns shall be returned to the taxpayer. It shall be the responsibility of the taxpayer to file the completed return by the due date. Any payment submitted with the incomplete return will be applied to the taxpayer's account as an estimated payment.

6. A business may file the required Village income tax return via the Ohio Business Gateway but the required supporting documentation for the return must be either mailed, faxed or emailed to the Income Tax Department.

Section 7

GENERAL PROVISIONS

(FILING UNDER A FEDERAL ID NUMBER)

A. Extension to File:

1. An extension to file is not an extension to pay and estimated taxes are due by the tax return filing deadline to avoid non-payment penalties and/or interest.
2. If the taxpayer attaches a copy of a timely filed Federal Extension to File to their complete Village tax return, no late-filing penalty shall be charged in those cases in which a complete Village tax return is filed within the period as extended.
3. Taxpayers not filing a Federal Extension to file that wish to file only an extension to file with the Village may do so using the "Extension Request" form available at the Income Tax Office or on the Village's website. To be considered, such requests must be postmarked or in the Income Tax Office on or before the tax return filing deadline. The request for extension of time to file with the Village may be denied if the taxpayer fails to timely file the request.
4. If Federal Extension to File or a Village extension to file has been approved, the Village tax return shall be due on the fifteenth (15th) day of the tenth (10th) month after the last day of the taxable year and no late-filing penalty shall be charged if a complete Village of Cadiz Income Tax return (including all required informational returns, schedules and statements needed to support the tax return along with a copy of the timely filed Federal or Village extension to file) are filed within the extension period.
5. Businesses may also submit extension to file requests via the Ohio Business Gateway.

B. Net Operating Loss Carryforwards:

1. Tax preparers should review ORC 718 for more information on net operating loss carryforwards as they relate to business filings.
2. Net operating losses cannot be used to offset qualifying Village taxable wages.
3. The amount of net operating loss shall be deducted from net profit that is reduced by exempt income to the extent necessary to reduce Village taxable income to zero with any remaining unused portion of the net operating loss carried forward to no more than five (5) consecutive taxable years following the taxable year in which the loss was incurred, but in no case for more years than necessary for the deduction to be fully utilized.

C. Income Apportionment:

Taxpayers engaged in a business or profession in the Village should review ORC 718.02 for apportionment factors. If the apportionment factors described in ORC 718.02 do not fairly represent the extent of a taxpayer's business activity in a municipal corporation, the taxpayer may request, or the Tax Administrator of the Village of Cadiz may require, that the taxpayer use, with respect to all or any

portion of the income of the taxpayer, one of the alternate apportionment methods described in ORC 718.02.

D. Rounding of amounts

A person may round to the nearest whole dollar all amounts the person is required to enter on any return, report, voucher, or other document required under this chapter. Any fractional part of a dollar that equals or exceeds fifty cents shall be rounded to the next whole dollar, and any fractional part of a dollar that is less than fifty cents shall be dropped. If a person chooses to round amounts entered on a document, the person shall round all amounts entered on the document.

E. Interest and penalties for late filing and payment of direct tax liability, in accordance with Ordinance 2015-34:

1. Interest: Except as provided in paragraphs (4) and (5) below all taxes imposed under the provisions of the Ordinance and the Village of Cadiz Rules and Regulations and remaining unpaid after they have become due shall bear interest, in addition to the amount of the unpaid taxes and penalties and interest, at the rate of the Federal short-term rate (rounded to the nearest whole number per cent) for July of the current year plus five percent (5%) for each month (or part thereof) there is a balance due. This rate shall apply for the calendar year next following the July of the year in which the Federal short-term rate is determined. Interest is imposed on only the unpaid tax portion of any balances due and is imposed at the time of filing and each month after filing at the beginning of the month.
2. Penalties: In addition to interest as provided in paragraph 1 of this Chapter, penalties based on the un-filed returns and/or unpaid taxes are hereby imposed as follows:
 - (a) Non-filing Penalty: For failure to file a complete Village return, together with all appropriate supporting Federal schedules, when due: twenty five dollars (\$25.00) per month (or part thereof), not to exceed one hundred fifty dollars (\$150.00) for each tax year.
 - (b) Non-Payment Penalty: For failure to remit the taxes due at the time of filing the Village return: fifteen percent (15%) of the tax not timely paid.
3. Exceptions:
 - (a) No penalty shall be charged on additional taxes found on review to be due when a return was timely filed in good faith and the tax paid thereon within fifteen (15) days from the date the taxpayer was notified of such findings.
 - (b) In the absence of fraud neither penalty nor interest shall be charged on any additional taxes resulting from a Federal audit for Federal income tax purposes provided an amended return is filed and the additional tax paid within three (3) months after final determination of the Federal tax liability.
4. Minimum charges: Penalty and interest charges shall not be levied when the total of such charges amounts to less than ten dollars (\$10.00). Additional interest calculated monthly on the tax balance due will not be levied when the total of such additional charges amounts to less than ten dollars (\$10.00)
5. Effect on Extensions:
 - (a) No non-filing penalty will be charged if a tax return is filed and a balance due is paid within the extended period for filing that return when such extension was authorized by the Administrator as provided in these Rules and Regulations or if a timely filed Federal extension is provided with the tax filing.
 - (b) Non-filing penalty will be charged from the date the return was due when the return is not filed within the approved extended period.

- (c) Non-payment penalty will be charged on tax not paid by the return filing deadline even though the time for filing the return has been extended.

F. Declaration-requirement of filing:

1. Every taxpayer shall make a declaration of estimated taxes for the current taxable year, on either the Village of Cadiz income tax return for the prior tax year or on the Estimated Tax form available on the website (villageofcadiz.com) or in the Income Tax Office., if the amount payable as estimated taxes is at least two hundred dollars (\$200.00). The declaration of estimated taxes shall be filed on or before the date prescribed for the filing of the Village tax return or on or before the fifteenth (15th) day of the fourth (4th) month after the taxpayer becomes subject to tax for the first time. Amended declarations may be filed at any time using the estimated tax form available on the website. The unpaid balance due on the amended declaration shall be paid in equal installments on or before the remaining payment dates.
2. The filing of a declaration does not relieve the taxpayer of the necessity of filing a yearly return even though there is no change in the declared tax liability. A yearly return must be filed to obtain a refund or any overpayment of over ten dollars (\$10.00).
3. On joint accounts, joint declarations are required.

G. Required dates for estimated payments and penalties for underpayment of estimated taxes:

1. The required portion of the tax liability for the taxable year that shall be paid through estimated taxes made payable to the Village, including the application of credit carryforwards and withholding credits on or before the applicable payment date, shall be as follows:
 - On or before the fifteenth (15th) day of the fourth (4th) month after the beginning of the taxable year, twenty-two and one-half percent (22.5%) of the tax liability for the taxable year.
 - On or before the fifteenth (15th) day of the sixth (6th) month after the beginning of the taxable year, forty-five percent (45%) of the tax liability for the taxable year.
 - On or before the fifteenth (15th) day of the ninth (9th) month after the beginning of the taxable year, sixty-seven and one-half percent (67.5%) of the tax liability for the taxable year.
 - On or before the fifteenth day (15th) of the twelfth (12th) month of the taxable year, ninety percent (90%) of the tax liability for the taxable year.
2. On or before the fifteenth (15th) day of the fourth (4th) month of the year following that for which the declaration or amended declaration was filed, an annual return shall be filed and any balance which may be due shall be paid in accordance with ORC 718.05.
3. In the case of any underpayment of any portion of the tax liability, penalty for underpayment of estimated taxed will be imposed. The amount of the underpayment shall be determined as follows:
 - For the first (1st) payment of estimated taxes each year, twenty-two and one-half percent (22.5%) of the tax liability, less the amount of taxed paid by the date prescribed for that payment.
 - For the second (2nd) payment of estimated taxes each year, forty-five percent (45%) of the tax liability, less the amount of taxes paid by the date prescribed for that payment.

- For the third (3rd) payment of estimated taxes each year, sixty-seven and one-half percent (67.5%) of the tax liability, less the amount of taxes paid by the date prescribed for that payment.
 - For the fourth (4th) payment of estimated taxes each year, ninety percent (90%) of the tax liability, less the amount of taxes paid by the date prescribed for that payment.
4. The period of the underpayment shall run from the day the estimated payment was required to be made to the on which the payment is made. For purposes of this section, a payment of estimated taxes on or before any payment date shall be considered a payment of the previous underpayment only to the extent that payment of estimated taxes exceeds the amount of payment presently required to be paid to avoid any penalty.
 5. The penalty for underpayment of estimated taxes is fifteen percent (15%) of the amount not timely paid for each required estimated payment date.
 6. An underpayment of estimated taxes penalty will not be applied if:
 - The amount of estimated taxes paid by the fifteenth (15th) day of the twelfth (12th) month of the taxable year equals at least ninety percent (90%) of the tax liability for the current taxable year.
 - The amount of estimated taxes paid by the fifteenth (15th) day of the twelfth (12th) month of the taxable year equals at least one hundred percent (100%) of the tax liability shown on the Cadiz tax return for the preceding taxable year (provided that the immediately preceding taxable year reflected a period of twelve (12) months and a Cadiz tax return was filed for the preceding year).
 - The taxpayer is an individual who resides in the Village but was not domiciled here on the first (1st) day of January of the calendar year that includes the first day of the taxable year.

H. Delinquent Process for Direct Accounts

1. Non-Filing:
 - A. If a complete tax return has not been filed by the due date of an extended return for that tax year, a “Non-filing Notice” will be mailed to the taxpayer’s address on file at the Income Tax Department.
 - B. If the taxpayer does not provide acceptable documentation stating why a tax return is not required for that tax year or does not file a tax return, 30 days after the “Non-filing Notice” was mailed a “Second Non-filing Notice” will be mailed to the taxpayer’s address on file at the Income Tax Department.
 - C. If the taxpayer does not provide acceptable documentation stating why a tax return is not required for the tax year or does not file a tax return within 30 days after the “Second Non-filing Notice” was mailed, the taxpayer’s failure to respond to this notice may result in an estimated return being prepared and mailed to the taxpayer.
 - D. If the taxpayer does not respond within 30 days after the “estimated tax return” was mailed, an appealable assessment will be sent to the taxpayer via certified mail. If the taxpayer does not request an appealable assessment in writing within the 30 day period, the Tax Administrator will consider any balances final and the account will be subject to a civil judgment.
 - E. If the taxpayer requests an appealable assessment within 30 days of the date of the “Estimated Return” the Tax Administrator will generate an assessment and attempt delivery by the means described previously. Within 60 days of the service of the

assessment the taxpayer may contact the Tax Administrator in writing to request a compromise of this assessment, or the taxpayer may submit an appeal to the Local Board of Tax Review. On the 61st day after the assessment has been served, the assessment is final and subject to collection.

2. Non-Payment:

- A. If a tax return is reviewed and changed by the Income Tax Department, the taxpayer will receive an “amended return” from the Tax Administrator. The return will clearly be marked “Amended” and will denote changes made. The taxpayer may contact the Administrator to discuss the return and may provide additional written documentation related to the return for the review of the Tax Administrator for possible modification of the filed tax return. A change or correction of a tax return or a request for missing information is not an assessment.
- B. If a taxpayer has an unpaid tax or penalty/interest balance, the taxpayer will receive a “Notice of Non-Payment” itemizing tax owed, penalty and interest amounts. Payment is due within 30 days of the mailing of the “Notice of Non-Payment”. The taxpayer may contact the Income Tax Department and may provide additional documentation related to the return for the review by the Tax Administrator for possible modification of the filed tax return and/or the taxpayer may request, in writing an appealable assessment of any balances due. The appealable assessment will be sent to the taxpayer via certified mail or the individual may submit a letter of hardship to request a payment plan on the unpaid balance.
- C. If there remains an unpaid balance, approximately 30 days after the initial “Notice of Non-Payment” has been mailed a “Final Unpaid Balance Notice” will be mailed. The taxpayer may request in writing within 30 days of the date of the “Final Unpaid Balance Notice” an appealable assessment of any balances due. The appealable assessment will be sent to the taxpayer via certified mail or the individual may submit a letter of hardship to request a payment plan on the unpaid balance. If the taxpayer does not request an appealable assessment in writing within the 30 day period, the Tax Administrator will consider any balances final and the account will be subject to a civil judgment.
- D. If the taxpayer requests an appealable assessment within 30 days of the date of the “Final Unpaid Balance Notice” the Tax Administrator will generate an assessment and attempt delivery by the means described previously. Within 60 days of the service of the assessment the taxpayer may contact the Tax Administrator in writing to request a compromise of this assessment, or the taxpayer may submit an appeal to the Local Board of Tax Review. On the 61st day after the assessment has been served, the assessment is final and subject to collection.
- E. When any taxpayer subject to the provisions of the Ordinance has filed a return indicating the amount of tax due and has failed to pay said tax to the Income Tax Department as required by the Ordinance, the Administrator need not issue an assessment but may proceed under the provisions set forth in the Ordinance.
- F. If a balance remains unpaid and the assessment has become final and collectible the taxpayer is subject to additional legal actions to attempt collection including civil actions.

I. Credits

- 1. Limitation: Where a resident of the Village is subject to a municipal tax or joint economic development district tax (JEDD), on or measured by income, in another municipality or JEDD either located within or without the State of Ohio, he shall receive credit of the tax paid, not to

- exceed one percent (1%) against the tax imposed by the Ordinance, of the earnings taxed by such municipality or JEDD.
2. Credits to residents: Resident individuals of the Village who are required to pay and do pay a tax to another municipality or joint economic development district tax (JEDD) on qualifying wages, commissions or other compensation, for work done or services performed in such other municipality, may claim a credit of the amount of tax paid by them or on their behalf to such other municipality of JEDD but not to exceed one percent (1%) of such income earned and taxed by the other municipality or JEDD.
 3. Methods of applying for credit:
 - (a) No credit will be given unless the taxpayer claims such credit on this final return or other form prescribed by the Administrator, and presents such evidence of the payment of a similar tax to another municipality, as the Administrator may require.
 - (b) A statement satisfactory to the Administrator from the taxing authority of the municipality to which the taxes are paid, that a Village resident or his employer is paying the tax shall be considered as fulfilling the filing requirements of this Chapter.
 4. Qualifying losses on non-qualified deferred compensation plan are covered in ORC 718.021.

Section 8

WITHHOLDING ACCOUNTS

A. General Requirements

An annual tax of one percent (1%) is imposed on all qualifying wages, commissions and other compensation whether based upon hourly, daily, weekly, semi-monthly, annual, unit of production or piece work rates, received on or after January 1, 1977 and during the effective period of the Ordinance.

1. Residents: For the purpose of determining the tax on the earnings of resident taxpayers taxed under Ordinance 2015-34, the source of the earnings and the place or places in or at which the services were rendered, are immaterial. All such earnings wherever earned or paid are taxable.
2. Non-Residents are taxable on any compensation as specified in Ordinance 2015-34 and these Rules and Regulations, earned in or from the Village.

B. Duty of Withholding

1. Except as otherwise provided herein, it is the duty of each employer within or doing business within or for the Village, who employs one or more persons whether as an employee, officer, director or otherwise, to deduct each time any qualifying wages are paid on or after January 1, 1977, the tax of one percent (1%) in accordance with Ordinance 2015-34. Every employer required to deduct and withhold the tax at the source is liable directly to this Village for payment of such tax whether or not actually collected from such employee.
2. Each employer, agent of an employer, or other payer required to withhold taxes is liable for the payment of that amount required to be withheld, whether or not such taxes have been withheld, and such amount shall be deemed to be held in trust for the Village until such time as the withheld amount is remitted to the Village.
3. The officer or the employee of the employer, agent of an employer, or other payer with control or direct supervision of or charged with the responsibility for withholding the tax or filing the reports and making payments as required shall be personally liable for a failure to file a report or

- pay the tax due. The dissolution of an employer, agent of an employer, or other payer does not discharge the officer's or employee's liability for a failure of the employer, agent of an employer, or other payer to file returns or pay any tax due.
- Employers and payroll services should review ORC 718.011 and ORC 718.03 for more information on withholding rules including the 20 day rule, definition of principal place of work and small employer withholding provisions. To determine whether an employer qualifies as a small employer for a taxable year, the employer must provide the Tax Administrator with their federal income tax return for the preceding tax year. Employers must be certified as small employers annually.
 - Any business having employees who work with the Village but does not withhold the full one percent (1%) from their employee's Village taxable income must maintain detailed payroll records that include all work locations since the Village maintains the right to review or audit any withholding accounts.

C. Identification of withholding businesses

- Except as otherwise provided herein, it is the duty of each employer doing business within or doing business with the Village, who employs one (1) or more persons whether as an employee, officer, director or otherwise, to identify their business with the Village's Income Tax Department within fifteen (15) working days of establishing their business with or for the Village, through completion of a Business Questionnaire.
- Upon receipt of the questionnaire from the Village, the questionnaire must be completed and returned within fifteen (15) working days, to the Village's Income Tax Department.

D. Filing and payment requirements/deadlines for withholding businesses

- The deductions from qualifying wages required to be made by employers are to begin with the compensation earned on and after the effective date of the Ordinance.
- The employer (in addition to any return required to be filed with respect to his own earnings or net profits) shall, on or before the fifteenth (15th) day of the month next following each withholding period, make a return and pay, to the Village Income Tax, the full amount of the tax so deducted or withheld with respect to qualifying wages paid all of his employees subject to the tax under the Ordinance.
- Quarterly filing/payments are required unless the employer meets the criteria for monthly payments. Monthly payments are required if either one of the following are applicable:
 - The total Village taxes deducted and withheld or required to be deducted and withheld in the preceding calendar year exceeds two thousand three hundred ninety-nine dollars (\$2,399)
 - The total Village taxes deducted and withheld or required to be deducted and withheld exceeds two hundred dollars (\$200) in any month of the preceding calendar quarter.
- Under ORC 718.03 there are certain circumstances where larger withholders may be required to remit taxes semimonthly.

5. The withholding return required to be filed shall be made on the “Employer Withholding Form” available on the Village’s website or on a generic form that contains all the required information.

E. Interest and penalties for late filing and payment of withholding tax liability, in accordance with Ordinance 2015-34:

1. Interest: Except as provided in paragraph (3) below all withholding taxes collected (or should be collected) under the provisions of the Ordinance and remaining unpaid after they have become due shall bear interest, in addition to the amount of the unpaid taxes and penalties and interest, at the rate of the Federal short-term rate (rounded to the nearest whole number percent) for July of the current year plus five percent (5%) for each month (or part thereof) there is a tax balance due. This rate shall apply for the calendar year next following the July of the year in which the federal short-term rate is determined. Interest is imposed on only the unpaid tax portion of any balances due and is imposed at the time of filing and each month after filing at the beginning of the month.
2. Penalties: In addition to interest as provided in paragraph (1) of this Chapter, penalties based on the un-filed returns and/or unpaid withholding tax are hereby imposed as follows:
 - (a) Non-Filing Penalty: For failure to file a complete Village withholding tax return, when due: Twenty five dollars (\$25) per month (or part thereof), not to exceed one hundred fifty dollars (\$150) for each failure to file.
 - (b) Non-Payment Penalty: For failure to remit the withholding taxes on or before the fifteenth (15th) day of the month next following each withholding period: fifty percent (50%) of the tax not timely paid.
 - (c) Minimum charges: Penalty and interest charges shall not be levied when the total of such charges amounts to less than ten dollars (\$10.00). Additional interest calculated monthly on the withholding balance due will not be levied when the total of such additional charges amounts to less than ten dollars (\$10.00).

F. Annual Reconciliation required:

1. On or before the 28th day of February, following any calendar year in which such deductions have been made by any employer, such employer shall file with the Income Tax Department, and informational return (a W-2 or facsimile or listing meeting the Village requirements) for each employee from whom this Village’s income tax has 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 this Village’s income tax withheld from such employee.
2. The gross compensation to be reported for each employee shall be for the full twelve (12) calendar months of the year or such portion thereof as the employee reported on was employed.
3. In addition to these annual information returns, and at the time the same are filed, such employer shall file with the Income Tax Department, a reconciliation of returns (Form W-3) to enable the Income Tax Department to reconcile the sum total of compensation paid and the taxes withheld as disclosed by information return W-2, or list of employees, and prior returns and remittances made pursuant to the Ordinance and these Regulations.

G. Refunds and adjustment for withholding accounts:

1. If more than the amount of tax required to be deducted by the Ordinance is withheld from and employee’s pay, such excess may be refunded by the employer or the Income Tax Department ,

depending upon the circumstances and the time when the over-withholding is determined as follows:

- (a) Resident current employees:
 - .1 If the over-withholding is discovered in the same period, the employer shall make the necessary adjustment directly with the employee and the amount to be reported on the withholding return as withheld shall be the correct amount.
 - .2 If the over-withholding is discovered in a subsequent period of the calendar year, the employer may make proper adjustment with the employee. In such case, the return for the period in which the adjustment is made shall indicate the total amount actually withheld on Line 4 of Form W-1 and the amount of the adjustment with an explanation.
 - .3 if the over-withholding is discovered in the following year, the employee shall complete the “Refund Request Form” that is available at the Village’s website or at the Income Tax Office. This form must be completed by the employee and their employer and a W-2 showing the total Cadiz tax withheld must be attached.
 - (b) Resident former employees:
 - .1 If the over-withholding is discovered in the current year and employee who is no longer employed by the employer, the employer shall notify the Income Tax Department of the amount and circumstances of such over-withholding in writing, and the Administrator shall then refund to the employer the amount of such excess withholding and it is the responsibility of the employer to refund these funds to their prior employee.
 - .2 If the over-withholding is discovered in the following year, the employee shall complete the “Refund Request Form” that is available at the Village’s website or at the Income Tax Department. This form must be completed by the employee and their employer and a W-2 showing the total Cadiz tax withheld must be attached.
 - (c) Non-residents employed outside the Village: Where an employer has withheld the Cadiz tax from the qualified wages of a non-resident of this Village, and such non-resident has not worked within the Village for all or part of the time, the non-resident shall complete the “Refund Request Form” that is available at the Village’s website or at the Income Tax Office. This form must be completed by the employee and their employer and a W-2 showing the total Cadiz tax withheld must be attached.
2. Limitations: Where the total amount due or refund claimed for a tax year is less than ten dollars (\$10.00), such amount shall not be collected or refunded.
 3. Insufficient withholding: If less than the amount of tax required to be deducted is withheld from an employee, such deficiency shall be withheld from subsequent qualifying wages.
 4. Exceptions:
 - (a) An employer whose records show that an employee is a non-resident of the Village and has no knowledge to the contrary, shall be relieved of the responsibility of withholding the tax on personal service compensation paid to such employee for services rendered or work done outside the Village by such employee; provided, however, that such employer must withhold the tax on all personal service compensation paid such employee after the Administrator, or any duly authorized employee notifies said employer in writing that such employee is a resident of the Village. All employees are required to notify the employer of any change of residence and the date thereof.
 - (b) A Cadiz employer required to withhold the tax from a Cadiz resident for work done or services performed in another municipality, shall be relieved from the requirement of withholding the Village tax from such Cadiz resident, except where the rate of tax for such other municipality is less than the rate of tax imposed by the Cadiz Income Tax Ordinance. In such case, the employer shall withhold and remit the difference to the Income Tax Department.

- (c) No person shall be required to withhold the tax on the qualifying wages or other compensation paid domestic servants employed exclusively in or about such person's residence, but such employees shall be subject to all the requirements of the Ordinance.

H. Delinquent Process for Withholding Accounts

1. Non-filing:
 - (a) If a withholding return has not been filed by the due date a "Withholding First Non-filing Notice" will be mailed to the taxpayer's address on file at the Income Tax Department.
 - (b) If the taxpayer does not provide acceptable documentation stating why a withholding return is not required for that period or does not file a withholding return, approximately 30 days after the "Withholding First Non-filing Notice" was mailed, a "Withholding FINAL Non-filing Notice" will be mailed to the taxpayer's address on file at the Income Tax Department.
 - (c) Failure to respond to the "Withholding FINAL Non-filing Notice" within 30 days of the date of the notice may result in civil action.
2. Non-payment:
 - (a) If a withhold account has an unpaid tax or penalty/interest balance, the taxpayer will be mailed a "Withholding Account First Delinquent Notice" from the Income Tax Department. The taxpayer may contact the Income Tax Office to discuss the balance due and/or request in writing within 30 days of the date of "Withholding Account First Delinquent Notice" an appealable assessment of any balances due. The appealable assessment will be sent to the taxpayer (or their authorized agent) via certified mail.
 - (b) If there remains an unpaid balance, approximately 30 days after the "Withholding Account Delinquent Notice" has been mailed, the taxpayer will be mailed a "Withholding Account FINAL Delinquent Notice" The taxpayer may request in writing within 30 days of the date of "FINAL Unpaid Balance Notice" an appealable assessment of any balances due. The appealable assessment will be sent to the taxpayer via certified mail. If the taxpayer does not request an appealable assessment in writing within the 30 day period, the Tax Department will consider any balances final and the account will be subject to collection by civil judgement.
 - (c) If the taxpayer requests an appealable assessment within 30 days of the date of the "Withholding Account FINAL Delinquent Notice" the Tax Administrator will generate an assessment and attempt delivery via the means described previously under "Service of Assessment". Within 60 days of the service of the assessment, the taxpayer may contact the Tax Administrator in writing to request a compromise on this assessment or the taxpayer may submit an appeal to the Local Board of Tax Review. On the 61st day after the assessment has been served, the assessment is final and subject to collection.
 - (d) When any taxpayer subject to the provisions of the Ordinance has filed a withholding return indicating the amount of withholding tax due and has failed to pay said tax to the Income Tax Department as required by the Ordinance, the Administrator need not issue an assessment but may proceed under the provisions set forth in the Ordinance.
 - (e) If a balance remains unpaid and the assessment has become final and collectible the taxpayer is subject to additional legal actions to attempt collection including civil actions, submission to a collection agency and /or a summons to the Harrison Count Court for a criminal misdemeanor.

Section 9

POSTMARKS AND EFFECTIVE DATES

- A. If a report, claim, statement, or other document required to be filed, or any payment required to be made, within a prescribed period or on or before a prescribed date is delivered after that

- period or that date by United States mail to the Tax Administrator or other municipal official with which the report claim, statement, or other document is required to be filed, or to which the payment is required to be made, the date of the postmark stamped on the cover in which the report, claim, statement, or other document, or payment is mailed shall be deemed to be the date of delivery or the date of payment. "The date of postmark" means, in the event there is more than one date on the cover, the earliest date imprinted on the cover by the postal service.
- B. For a document filed or sent electronically or a payment made electronically, the date on the timestamp assigned by the first electronic system receiving that payment or document.

Section 10
SERVICE OF ASSESSMENT

- A. A copy of each assessment shall be served upon the person affected thereby either by personal service, by certified mail or by a delivery service authorized under ORC 5703.056.
- B. With the permission of the person affected by the assessment, assessments may be delivered through alternate means as provided in this section, included, but not limited to, delivery by secure electronic mail. Delivery by such means satisfies the requirements for delivery under this section. Once a taxpayer gives permission for delivery via secure electronic mail, this delivery method will remain in effect until the taxpayer notifies the Tax Administrator in writing that they wish to change the way they receive assessment and other information from the Tax Administrator.
- C. If certified mail is returned because of an undeliverable address, the Tax Administrator will use reasonable means to ascertain a new last known address, including the use of a change address service offered by the postal service or authorized delivery service under ORC 5703.056. If, after using reasonable means, the Tax Administrator is unable to ascertain a new last known address, the assessment shall be sent by ordinary mail and considered served. If the ordinary mail is subsequently returned because of an undeliverable address, the assessment remains appealable within sixty (60) days after the assessment's postmark.
- D. Once an assessment has been served on the person to whom the assessment is directed, the person may protest the ruling of that assessment by filing an appeal with the Local Board of Tax Review within sixty (60) days after the receipt of service. The delivery of an assessment as described in this section is prima facie evidence that delivery is complete and that the assessment is served.
- E. If mailing of an assessment by certified mail is returned for some cause other than an undeliverable address, the Tax Administrator shall resent the assessment by ordinary mail. The assessment shall show the date the Tax Administrator sends the assessment and include the following statement: "This assessment is deemed to be served on the addressee under applicable law ten (10) days from the date this assessment was mailed by the Tax Administrator as shown on the assessment, and all periods within which an appeal may be filed apply from and after that date". Unless the mailing is returned because of an undeliverable address, the mailing of that information is prima facie evidence that delivery of the assessment was completed ten (10) days after the Tax Administrator sent the assessment by ordinary mail and that the assessment was served. If the ordinary mail is subsequently returned because of an undeliverable address, the assessment remains appealable with sixty (60) days after the assessment's postmark.
- F. A person may challenge the presumption of delivery and service. A person disputing the presumption of delivery and service bears the burden of proving by a preponderance of the evidence that the address to which the assessment was sent was not an address with which the person was associated at the time the Tax Administrator originally mailed the assessment by certified mail. For the purposes of this section, a person is associated with an address at the time the Tax Administrator originally mailed the assessment if, at that time, the person was residing,

- receiving legal documents, or conducting business at the address; or if, before that time, the person's agent or their person's affiliate is any other person that, at the time the assessment was mailed, owned or controlled at least twenty percent (20%), as determined by voting rights, of the addressee's business. If a person elects to appeal an assessment on the basis of delivery and service and if the assessment is subject to collection and is not otherwise appealable, the person must do so within sixty (60) days after the initial contact by the Tax Administrator or other municipal official, or the designee of either, with the person.
- G. As used in this section:
- "Last known address" means the address the Tax Administrator has at the time a document is originally sent by certified mail, or any address that Tax Administrator can ascertain using reasonable means such as the user of a change of address service offered by the post office or other authorized delivery service under ORC 5703.056.
 - "Undeliverable address" means an address to which the postal service or an authorized delivery service under ORC 5703.056 is not able to deliver an assessment of the Tax Administrator, except when the reason for non-delivery is because the addressee fails to acknowledge or accept the assessment.

Section 11
CONFIDENTIALITY

A. Per ORC 718.13:

- "A) Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by this chapter or by a charter or ordinance of a municipal corporation levying an income tax pursuant to this chapter is confidential, and no person shall access or disclose such information except in accordance with a proper judicial order or in connection with the performance of that person's official duties or the official business of the municipal corporation as authorized by this chapter or the charter or ordinance authorizing the levy. The Tax Administrator of the municipal corporation or a designee thereof may furnish copies of returns filed or otherwise received under this chapter and other related tax information to the Internal Revenue Service, the Tax Commissioner, and Tax Administrator of other municipal corporations.
- B) This section does not prohibit a municipal corporation from publishing or disclosing statistics in a form that does not disclose information with respect to particular taxpayers".
- A) Taxpayer information is confidential and cannot be disclosed to a third party (unless the third party has power of attorney) without written permission of the taxpayer(s). documents granting permission for a third party to discuss taxpayer status with the Cadiz Income Tax Department must include Social Security Number(s) or Federal ID Number, the tax years to be made available to the third party, taxpayer signature and date signed. If an individual is unavailable to sign their tax return, a third party may file a tax return only if the third party has a power of attorney or the previously described permission document attached (or has previously filed one of these documents with the Cadiz Income Tax Department).
- B) To grant permission for the Cadiz Income Tax Department to contact a tax preparer or accountant with questions on a tax return, the box on the tax return allowing this permission must be checked. If this box is not checked, all questions on a tax return will be directed to the taxpayer.
- C) On joint tax returns, either spouse has access to the tax information for that tax year. If a married couple files separately, they are considered individuals for tax purposes and the requirements in paragraph A apply for disclosure of information.

- D) Copies of tax returns may be provided upon written request and proof of identity. A minimum of 10 working days should be allowed for the fulfillment of requests.
- E) If the taxpayer has previously granted permission for contact about their tax account to be made via Secure Email, the emailing of information to the email address on file at the Tax Department shall not be deemed a breach of confidentiality as long as the email was sent using the Secure Email process.

Section 12

DUTIES AND POWERS OF THE TAX ADMINISTRATOR

- A. Collection of tax and retention of records:
 - 1. It shall be the duty of the Administrator to receive the tax imposed by the Ordinance in the manner prescribed therein from the taxpayers; to keep an accurate record and to report all monies so received.
 - 2. It shall be the duty of the Administrator to enforce payment of all taxes owed the Village, to keep accurate records for a minimum of six (6) years showing the amount due from each taxpayer required to file a declaration and/or make any return, including taxes withheld, and to show the dates and amounts of payments thereof.
- B. Enforcement provisions:
 - 1. The Administrator is charged with the administration and enforcement of the provisions of the Ordinance and is subject to the approval of the Village Council by motion, empowered to adopt, promulgate, and enforce rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the Ordinance. The Administrator has the authority to correct or adjust any return submitted, when a correction or adjustment is necessary to accomplish the intent of the Ordinance, these Rules and Regulations or ORC 718.
 - 2. Any taxpayer or employer desiring a special ruling on any matter pertaining to the Ordinance or these Rules and Regulations or ORC 718, should submit to the Administrator in writing, all the facts involved for a final ruling.
 - 3. These Rules and Regulations, together with all amendments and supplements hereto and all changes herein will be on file with the Administrator, and will be open to public inspection.
- C. Estimation of tax by the Administrator:
 - 1. General provisions
 - (a) If the Administrator determines that any taxpayer subject to the provisions of the Ordinance has a tax liability for which he has filed no return or has filed an incorrect return and has failed to pay the full amount of tax due, the Administrator shall follow the steps previously defined under “Delinquent Process for Direct Accounts”.
 - (b) When any taxpayer subject to the provisions of the Ordinance has filed a return indicating the amount of tax due and has failed to pay said tax to the Income Tax Division as required by the Ordinance, the Administrator need not issue an assessment but may proceed under the provisions set within the Ordinance.
 - 2. Provisions affecting employers:
 - (a) If the Administrator determines that an employer to the provisions of the Ordinance has failed to file a return for tax withheld and/or has failed to pay to the Income Tax Department the full amount of said taxes, the Administrator shall follow the steps detailed in “Delinquent Process for Withholding Accounts” to generate an assessment showing the amount of tax due, together with any penalties and interest that may have accrued thereon and the

- provisions of interest and penalties for late filing and payment of withholding tax liability, in accordance with these Rules and Regulations shall then apply.
- (b) If the Administrator determines that an employer subject to the Ordinance has failed to withhold tax, the Administrator shall issue a notice showing the tax due, together with any penalties and interest that may have accrued thereon and the provisions of “interest and penalties for late filing and payment of withholding tax liability”, in accordance with the Ordinance and these Regulations.
 - (c) When an employer subject to the provisions of the Ordinance has filed a return indicating the amount of tax withheld and has failed to pay said tax to the Income Tax Department as required by the Ordinance, the Administrator need not issue an assessment but may proceed under the provisions of the Ordinance.
- D. Authority of the Tax Administrator under ORC 718.24:
- 1. Per ORC 718.24:

“Nothing in this chapter (ORC 718) shall limit the authority of a Tax Administrator to perform any of the following duties or functions, unless the performance of such duties or functions is expressly limited by a provision of the Revised Code or the Charter or Ordinances of the municipal corporation:

 - (a) Exercise all powers whatsoever of an inquisitorial nature as provided by law, including, the right to inspect books, accounts, records, memorandums, and federal and state income tax returns, to examine persons under oath, to issue orders or subpoenas for the production of books, accounts, papers, records, documents, and testimony, to take depositions, to apply to a court for attachment proceedings as for contempt, to approve vouchers for the fees of officers and witnesses, and to administer oaths; provided that the powers referred to in this division of this section shall be exercised by the Tax Administrator only in connection with the performance of the duties respectively assigned to the Tax Administrator under a municipal corporation income tax ordinance or resolution adopted in accordance with the Ordinance;
 - (b) Appoint agents and prescribe their powers and duties;
 - (c) Confer and meet with officers of other municipal corporations and states and officers provided by law;
 - (d) Exercise the authority provided by law, including orders from bankruptcy courts, relative to remitting or refunding taxes, including penalties and interest thereon, illegally or erroneously imposed or collected, or for any other reason overpaid, and, in addition, to Tax Administrator may investigate any claim of overpayment and make a written statement of the Tax Administrator’s findings, and, if the Tax Administrator finds that there has been an overpayment, approve and issue a refund payable to the taxpayer, the taxpayer’s assigns, or legal representative as provided in the Ordinance.
 - (e) Exercise the authority provided by law relative to consenting to the compromise and settlement of tax claims;
 - (f) Exercise the authority provided by law relative to the use of alternative apportionment methods by taxpayers in accordance with ORC 718.02.
 - (g) Make all tax findings, determinations, computations, and orders the Tax Administrator is by law authorized and required to make and, pursuant to time limitations provided by law, on the Tax Administrator’s own motion, review, re-determine, or correct any tax findings, determinations, computations, or orders the Tax Administrator has made, but the Tax Administrator shall not

review, re-determine, or correct any tax finding determination, computation, or order which the Tax Administrator has made as to which an appeal has been filed with the Local Board of Tax Review or other appropriate tribunal, unless such appeal or application is withdrawn by the appellant or applicant, is dismissed, or is otherwise final;

- (h) Destroy any or all returns or other tax documents in the manner authorized by law;
- (i) Enter into an agreement with a taxpayer to simplify the withholding obligations described in ORC 718.03”.

Section 13

COLLECTION OF UNPAID TAXES AND REFUND OF OVERPAYMENTS

A. Unpaid sums: Civil Suit

1. In addition to any criminal penalties which may be imposed, all taxes imposed shall be collectible, together with any interest and penalties thereon by civil suit. Employers who are required under the Ordinance to withhold and remit taxes required to be withheld at the source, and who fail to withhold and/or remit become liable to the Village in a civil suit to enforce the payment of the deficiency created by such failure.
2. No additional charges shall be made by the Administrator after three (3) years from the time the return was due or filed, whichever is later. Provided, however, there shall be no period of limitation on such additional charges in the case of a return that omits a substantial portion of income or tax due, or filing a false or fraudulent return to evade payment of the tax, or failure to file a return. Failure to report twenty-five percent (25%) or more of gross income or tax due shall be considered a substantial omission.
3. No civil action to recover municipal income tax or related penalties or interest shall be brought during either of the following time periods:
 - (a) The period during which a taxpayer has a right to appeal the imposition of that tax or interest or those penalties.
 - (b) The period during which an appeal related to the imposition of that tax or interest or those penalties is pending.

B. Refunds and Overpayments:

1. Taxes erroneously paid shall not be refunded unless a claim for refund is filed with the Tax Administrator on the form prescribed by the Tax Administrator within three (3) years after the tax was due or paid, whichever is later. The Tax Administrator may require the requestor to file with the request any documentation that substantiates the requestor’s claim for a refund.
2. Overpayments will be either refunded or credited to the taxpayer’s current year’s liability at his option. Where no election has been made by the taxpayer, overpayments of any year’s taxes shall be applied as follows:
 - (a) To taxes owed for any previous years in the order in which such taxes become due.
 - (b) To the taxpayer’s current estimated tax liability.
3. Interest shall be allowed and paid on any overpayment by a taxpayer of any municipal income tax obligation from the date of the overpayment until the date of the refund of the overpayment, that if any overpayment is refunded within ninety (90) days after the final filing date of the annual return or ninety (90) days after the completed return if filed, whichever is later, no interest shall be allowed on the refund. For the purpose of computing the payment of interest on amounts overpaid, no amount of tax for any taxable year shall be considered to have been paid before the date on which the return on which

the tax is reported is due, without regard to any extension of time of filing that return.
Interest shall be paid at the interest rate described in ORC 718.27.

- C. Limitations:
Where the total amount due or refund claimed for a tax year is less than ten dollars (\$10.00), such amount shall not be collected or refunded.

Section 14
VIOLATIONS PENALTIES

- A. Any person who shall:
- (1) Fil, neglect or refuse to make any return or declaration required by the 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 the Ordinance; or
 - (4) Fail, neglect or refuse to withhold the tax from his employees or to remit such withholding, penalties or interest imposed by the Ordinance to the Income Tax Department; or
 - (5) Refuse to permit the Administrator or any duly authorized agent or employee to examine his books, records, papers and copies of Federal income tax returns relating to the income or net profits of a taxpayer; or
 - (6) Fail to appear before the Administrator and to produce his books, records, papers or copies of 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 respect to the income or net profits of a taxpayer; or
 - (8) Fail to comply with the provisions of the Ordinance or any order or subpoena of the Administrator authorized here by; or
 - (9) Attempt to do anything whatever to avoid the payment of the whole or any part of the tax, penalties or interest imposed by the Ordinance, shall be guilty of a misdemeanor of the first degree, punishable by a fine not to exceed one thousand dollars (\$1,000.00) and a term of imprisonment not to exceed six (6) months.
- B. The term “person” used in this section shall in addition to the meaning prescribed under “Definitions” section of these Rules and Regulations, include in the case of an association or corporation not having any partner, member or officer within the Village, any employee or agent of such association or corporation who can be found within the corporate limits of the Village.
- C. Prosecutions: All prosecutions under this Section must be commenced within the time limit as now or hereafter may be provided by the applicable sections of the Ohio Revised Code for prosecution or violations of municipal income tax ordinances.
- D. Failure to receive forms-not a defense: The failure of any employer or person to receive or procure a return, declaration or other required form shall not excuse him/her from making any information return, declaration or return, from filing such form, or from paying the tax.

Section 15
LOCAL BOARD OF TAX REVIEW

- A. The full requirements for the Local Board of Tax review are included in ORC 718.11
- B. Review process:
- (1) Any person who has been issued an assessment may appeal the assessment to the Board created pursuant to this section by filing a request with the Board. The request shall be in writing, shall specify the reason or reasons why the assessment should be deemed incorrect or unlawful, and shall be filed within sixty days after the taxpayer receives the assessment.

- (2) The Local Board of Tax Review shall schedule a hearing to be held within sixty days after receiving an appeal of an assessment unless the taxpayer requests additional time to prepare or waives a hearing. If the taxpayer does not waive the hearing, the taxpayer may appear before the Board and may be represented by an attorney at law, certified public accountant, or other representative. The Board may allow a hearing to be continued as jointly agreed to by the parties. In such a case, the hearing must be completed within one hundred twenty days after the first day of the hearing unless the parties agree otherwise.
- (3) The Board may affirm, reverse, or modify the Tax Administrator's assessment or any part of that assessment. The Board shall issue a final determination on the appeal within ninety days after the Board's final hearing on the appeal, and send a copy of its final determination by ordinary mail to all of the parties to the appeal within fifteen days after issuing the final determination. The taxpayer of the Tax Administrator may appeal the Board's final determination as provided in ORC 5717.011
- (4) The Local Board of Tax Review created pursuant to this section shall adopt rules governing its procedures and shall keep a record of its transaction. Such records are not public records available for inspection under Ohio Revised Code Chapter 149.43. Hearings requested by a taxpayer before a local board of tax review created pursuant to this section are not meetings of a public body subject to ORC 121.22.

Section 16
SAVINGS CLAUSE

- A. These Rules and Regulations shall not apply to any person, firm, corporation or income, as to whom, or as to which it is beyond the power of the Village Council to impose the tax provided for in the Ordinance.
- B. If any sentence, clause, section or part of the Ordinance, or any section or part of these Rules and Regulations, or any tax against any individual, or any of the several groups specified in the Ordinance or Rules and Regulations, is found to be unconstitutional, illegal, or invalid, such unconstitutionality, illegality, or invalidity shall affect only such sentence, clause, section or part of the Ordinance, or section, sentences, clause, or part of the Ordinance or these Rules and Regulations and shall not affect or impart any of the remaining provision, sentences, clauses, sections or part of the Ordinance or these Rules and Regulations. It is hereby declared to be the intention of the Village Council that these Rules and Regulations would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section, article or part thereof not been included therein or herein. The stated purpose of the Rules and Regulations is compliance with ORC 718 and any deviations from this compliance are unintentional.

Section 17
COLLECTION OF TAX AFTER TERMINATION OF ORDINANCE

- A. The Ordinance shall continue effective insofar as the levy of taxes and the collection of taxes levied hereunder and actions or proceedings for collecting any tax so levied or enforcing any provisions of the ordinance are concerning, until all of such taxes levied hereunder are fully paid and any and all suits and prosecutions for the collection of such taxes or for the punishment of violations of the ordinance shall have been fully terminated, subject to the limitations contained therein.
- B. Annual returns due for all or any part of the last effective year of the ordinance shall be due on the date provided the ordinance.

Section 18

AUDITS

- A. A review of a filing for accuracy or completeness, a correction of a return or a request for additional information from a taxpayer is not an audit.
- B. Per ORC 718.36:
- “(1) At or before the commencement of an audit, the Tax Administrator shall provide to the taxpayer a written description of the roles of the Tax Administrator and of the taxpayer during an audit and a statement of the taxpayer’s rights, including any right to obtain a refund of an overpayment of tax. At or before the commencement of an audit, the Tax Administrator shall inform the taxpayer when the audit is considered to have commenced.
- (2) Except in cases involving suspected criminal activity, the Tax Administrator shall conduct an audit of a taxpayer during regular business hours and after providing reasonable notice to the taxpayer. A taxpayer who is unable to comply with a proposed time for an audit on the grounds that the proposed time would cause inconvenience of hardship must offer reasonable alternative dates for the audit.
- (3) At all stages of an audit by the Tax Administrator, a taxpayer is entitled to be assisted or represented by an attorney, accountant, bookkeeper, or other tax practitioner. The Tax Administrator shall prescribe a form by which a taxpayer may designate such a person to assist or represent the taxpayer in the conduct of any proceedings resulting from actions by the tax administrator. If a taxpayer has not submitted such a form, the Tax Administrator may accept other evidence, as the Tax Administrator considers appropriate, that a person is the authorized representative of a taxpayer.
- A taxpayer may refuse to answer any questions asked by the person conducting an audit until the taxpayer has an opportunity to consult with the taxpayer’s attorney, accountant, bookkeeper, or other tax practitioner. This division does not authorize the practice of law by a person who is not an attorney.
- (4) A taxpayer may record, electronically or otherwise, the audit examination.
- (5) The failure of the Tax Administrator to comply with a provision of this section shall neither excuse a taxpayer from payment of any taxes owed by the taxpayer nor cure any procedural defect in a taxpayer’s case.
- (6) If the Tax Administrator fails to substantially comply with the provisions of this section, the Tax Administrator, upon application by the taxpayer, shall excuse the taxpayer from penalties and interest arising from the audit.”

Section 19

ROSTER OF TENANTS

Every owner of one or more rental units and every owner or operator of a mobile home park shall furnish to the Income Tax Department, a semi-annual roster of the names and addresses of all persons residing in such rental unit or mobile home park and shall also file a statement of any changes in the roster at the end of each quarter. The semi-annual statement shall be filed with the Income Tax Department on or before January 31 and July 31 of each year.

Section 20

OHIO BUSINESS GATEWAY

- A. A business taxpayer subject to the Village’s tax on the net profit from business may file any Village income tax return or estimated Village income return, and may make payment of amounts due on such returns, by using the Ohio Business Gateway.

Village of Cadiz Income Tax Rules and Regulations

Effective 1/1/2016

- B. Any employer may report the amount of Village income tax withheld from qualifying wages and may make remittance amounts, by using the Ohio Business Gateway.
- C. Any business taxpayer that is subject to the Village's tax on the net profit from a business and has received an extension to file the federal income tax return shall not be required to notify the municipal corporation of the federal extension and shall not be required to file any municipal income tax return until the last day of the month to which the due date for filing the federal return has been extended, provided that, on or before the date for filing the municipal income tax return, the person notifies the Tax Administrator of the federal extension through the Ohio Business Gateway. An extension of time to file is not an extension of the time to pay any tax due.
- D. A business may file the required Village income tax return via the Ohio Business Gateway but the required supporting documentation for the return must either be mailed to the Income Tax Department, faxed to the Income Tax Department or submitted via email to the Income Tax Administrator at the address available on the website. The tax return will not be considered complete until the required supporting documentation is received by the Income Tax Department.

Section 21

ADDITIONAL FEES RELATED TO LEGAL ACTIONS

As permitted under ORC 718.27, the Village of Cadiz shall impose on the taxpayer, employer, any agent of the employer, or any other payer the Village of Cadiz's civil post judgment collection costs and fees, including attorney's fees.