

161.07 COLLECTION AT SOURCE.

- (a) Each employer within or doing business within the City, shall deduct at the time of payment of such salaries, wages, commissions or other compensation, the tax of one and one-half percent (1-1/2%) of the gross salaries, wages, commissions or other compensation due by the employer to the employee and shall, on or before the last day of the month following the close of each calendar quarter, make a return showing the amount of taxes so deducted and a record of payment showing that all taxes deducted during the quarter have been paid to the City in accordance with this chapter. Such employer shall be liable for the payment of the tax required to be deducted and withheld, whether or not such taxes have in fact been withheld. The employer shall retain records necessary to compute tax liability for five years from the date the return is filed, or taxes required to be withheld are paid.
- (b) The City shall not require any nonresident employer, agent of such employer, or other payer that is not situated in the City to deduct and withhold taxes from the withholding base of an individual unless the total amount of tax required to be deducted and withheld for Gahanna on account of all of the employer's employees or all of the other payer's payees exceeds one hundred fifty dollars (\$150.00) for a calendar year beginning on or after that date.
 - (1) If the total amount of tax required to be deducted and withheld on account of all of the nonresident employer's employees or all of the other payer's payees exceeds one hundred fifty dollars (\$150.00) for a calendar year beginning on or after January 1, 2001, the City may require the employer, agent, or other payer to deduct and withhold taxes in each ensuing year even if the amount required to be deducted and withheld in each of those ensuing years is one hundred fifty dollars (\$150.00) or less, except as otherwise provided in (b)(2) of this section.
 - (2) If a nonresident employer, agent of such an employer, or other payer that is not situated in the City is required to deduct and withhold taxes for an ensuing year under (b)(1) of this section, and the total amount of tax required to be deducted and withheld under that division in each of three consecutive ensuing years is one hundred fifty dollars (\$150.00) or less, the City shall not require the employer, agent, or other payer to deduct and withhold taxes in any year following the last of those consecutive years unless the amount required to be deducted and withheld in any such following year exceeds one hundred fifty dollars (\$150.00).
- (c) Employers shall pay to the City all income taxes withheld or required to be deducted on either a monthly or quarterly basis, depending upon the amount of taxes involved according to the following payment schedule unless, due to nonpayment, a

more stringent schedule is prescribed by the Deputy Director of Finance.

- (1) Monthly payment of taxes withheld shall be made by an employer if the taxes withheld in the prior calendar year were more than one thousand one hundred ninety-nine dollars (\$1,199) or if the taxes withheld during any month for the preceding quarter exceeded one hundred dollars (\$100.00). Such payment shall be paid to the City within fifteen days after the close of each calendar month. However those taxes accumulated for the third month of a calendar quarter by employers making monthly payments need not be paid until the last day of the month following such quarter.
- (2) All employers not required to make monthly payments of taxes withheld under subsection (b)(1) hereof shall make quarterly payments no later than the last day of the month following the end of each quarter.
- (3) Every employer doing business within the City on a temporary basis shall pay to the City all income taxes withheld or required to be deducted and withheld on a monthly basis regardless of the amount of taxes involved. Such payment shall be paid to the City within fifteen days after the close of each calendar month. An employer is "doing business within the City on a temporary basis" when the employer maintains a place of business in the City or does business within the City for a period which the employer does not expect to exceed one year.

(d) The employer shall make and file a return on a form furnished by the Deputy Director of Finance showing the amount of tax deducted by the employer from the salaries, wages, commissions or other compensation of any employee and paid by the employer to the City.

(e) Each employer on or before ~~January 31~~ FEBRUARY 28, unless written request for thirty days extension is made to and granted by the Deputy Director of Finance following any calendar year in which such deductions have been made, or should have been made by any employer, shall file with the Deputy Director of Finance an information return (Gahanna Withholding Statement of Wages Paid and Gahanna Income Tax Withheld Form W-2) for each employee from whom income tax has been or should have been withheld showing the name and address of the employee, the total amount of salaries, wages, commissions and other compensation paid such employee during the year, and the amount of City Income Tax withheld from each employee. In addition, each Form (W-2) shall show the employer's name, address, and City account number. An adding machine tape or list of amount of tax withheld and taxable wages as shown on the W-2's shall be attached with the number of W-2's shown. Any return not so filed shall be subject to a penalty of five dollars (\$5.00) per day for each and every day they remain in violation to a maximum of two hundred fifty dollars (\$250.00).

(f) In addition to the above, any person paying money to an individual independent contractor shall report such payment. The information should be reported on Federal Form 1099 and filed yearly on or before January 31st.

(g) Every employer or officer of a corporation is deemed to be a trustee for this Municipality in collecting and holding the tax required under this chapter to be withheld and the funds so collected by such withholding are deemed to be trust funds.

(h) The officer or the employee having control or supervision of or charged with the responsibility of filing the report and making payment is personally liable for failure to file the report or pay the tax due as required by this section. The dissolution of a corporation does not discharge an officer's or employee's liability for a failure of the corporation to file returns or pay tax due prior to dissolution.

(Ord. 0295-2000. Passed 12-18-00.)

161.08 DECLARATIONS.

(a) Every person who anticipates any taxable income which is not subject to Section 161.07, or who engages in any business, profession, enterprise or activity subject to the tax imposed by Section 161.02, shall file a declaration setting forth such estimated income or the estimated profit or loss from such business activity together with the estimated tax due thereon, if any, provided however, if a person's income is wholly from wages, salaries, commissions or other compensation from which the tax will be withheld and remitted to the City in accordance with Section 161.07, such person need not file a declaration.

(b) Such declarations shall be filed on or before April 15 of each year during the life of this chapter or on or before the fifteenth day of the fourth month the taxpayer becomes subject to tax for the first time.

(c) Those taxpayers reporting on a fiscal year basis shall file a declaration on or before the fifteenth day of the fourth month after the beginning of each fiscal year or period.

(d) Such declaration shall be filed upon a form furnished by, or obtainable from the Deputy Director of Finance, provided, however, credit shall be taken for the City tax to be withheld from any portion of such income. Credit may be taken for tax paid to other municipalities in accordance with the provisions allowed in Section 161.18.

(e) The original declaration, or any subsequent amendment thereof, may be increased or decreased on or before any subsequent quarterly payment day as provided for herein.

(f) Such declarations of estimated tax to be paid the City shall be accompanied by a payment of at least ~~one-fourth~~ TWENTY PERCENT (20%) of the estimated ~~annual tax~~ TAX LIABILITY FOR THE CURRENT YEAR. ~~and at least a similar amount shall be paid on or before the last day of the sixth and ninth months, and on the fifteenth of the twelfth month after the beginning of the taxable year. Provided, however, that in case an amended declaration has been filed, the unpaid balance shown due thereon shall be paid in equal installments on or before the remaining payment dates.~~

(G) AT LEAST FORTY PERCENT (40%) OF THE TAXPAYER'S ESTIMATED TAX LIABILITY FOR THE CURRENT YEAR SHALL BE REQUIRED TO HAVE BEEN REMITTED ON OR BEFORE THE THIRTY-FIRST DAY OF JULY.

(H) AT LEAST SIXTY PERCENT (60%) OF THE TAXPAYER'S ESTIMATED TAX LIABILITY FOR THE CURRENT YEAR SHALL BE REQUIRED TO HAVE BEEN REMITTED ON OR BEFORE THE THIRTY-FIRST

DAY OF OCTOBER.

(I) AT LEAST EIGHTY PERCENT (80%) OF THE TAXPAYER'S ESTIMATED TAX LIABILITY FOR THE PREVIOUS YEAR SHALL BE REQUIRED TO HAVE BEEN REMITTED ON OR BEFORE THE THIRTY-FIRST DAY OF JANUARY.

(J) IN CASE AN AMENDED DECLARATION HAS BEEN FILED, THE UNPAID BALANCE SHOWN DUE THEREON SHALL BE PAID IN EQUAL INSTALLMENTS ON OR BEFORE THE REMAINING PAYMENT DATES.

(K) On or before the fifteenth day of the fourth month of the year following that for which such declaration or amended declaration was filed, an annual return shall be filed and any balance which may be due the City shall be paid therewith in accordance with the provisions of Section 161.05.

(L) A declaration of estimated tax which is less than eighty percent (80%) of the tax as shown on the final return shall not be considered filed in good faith. The difference shall be subject to penalties and interest as provided for in Section 161.15. (Ord. 0295-2000. Passed 12-18-00.)

161.09 MANDATORY REGISTRATION.

(a) All employers, contractors or subcontractors who do work in the City shall register with the Deputy Director of Finance