

SUBSTITUTE ORDINANCE NO. 53-87

BY: John H. Offenberg

An Ordinance amend Sections 880.02, 880.04, 880.07, and 880.18 of the Codified Ordinances of the City of Bexley to provide for an income tax at the rate of TWO (2) percent on salaries, wages, commissions and other compensations earned on and after January 1, 1988 and net profits of businesses, professions or other activities earned on and after January 1, 1988 to provide for purposes of general City operations, maintenance, new equipment and capital improvements.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BEXLEY, OHIO:

Section 1. That Sections 880.02, 880.04, 880.07, and 880.18 of the Codified Ordinances of the City of Bexley be amended to read as follows:

880.02 IMPOSITION OF TAX.

To provide for the purposes of general Municipal operations, maintenance, new equipment and capital improvements of the City, there is hereby levied a tax at the rate of ~~one and one-half~~ TWO percent per year commencing January 1, 1977 1988, upon the following:

- (a) On all salaries, wages, commissions and other compensation earned by residents of the City;
- (b) On all salaries, wages, commissions and other compensation earned by nonresidents of the City for work done or services performed or rendered in the City;
- (c) Net profits
 - (1) On the net profits earned of all unincorporated businesses, professions or other activities conducted by residents of the City; and
 - (2) On the net profits earned of all unincorporated businesses, professions or other activities conducted in the City by nonresidents.
 - (3) For the purposes of paragraphs (c)(1) and (2) hereof, an association shall not be taxable as an entity, but any member thereof who is a resident of the City shall be taxed individually on his entire share, whether distributed or not, of the annual net profits of the association, and any nonresident member thereof shall be taxed individually only on that portion of his share, whether distributed or not, of the annual net profits of the association as is derived from work done, services performed or rendered and business or other activities conducted in the City.
- (d) On the net profits of all corporations, estates and trusts derived from work done or services performed or rendered and business or other activities conducted in the City, whether or not such corporations, estates and trusts have their principal or any place of business located in the City.

880.04 LEVY OF TAX.

The income tax at the rate of ~~one and one-half~~ TWO percent shall be levied, collected and paid with respect to the salaries, wages, commissions and other compensation earned on and after January 1, 1977 1988, and with respect to the net profits of businesses, professions or other activities earned on and after January 1, 1977 1988. Where the fiscal year of the business, profession or other activity differs from the calendar year, the tax rate of ~~one and one-half~~ TWO percent shall be applied to that portion of the fiscal year occurring on and after January 1, 1977 1988.

Where the fiscal year of a business, profession or other activity is other than a calendar year, in computing the tax, the profits of such taxpayer shall be determined by dividing the annual profits by twelve and multiplying the quotient by the number of months of the fiscal year between January 1, 1977 1988, and thereafter applying the tax rate.

880.07 COLLECTION AT SOURCE.

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~~ TWO percent of the gross salaries, wages, commissions or other compensation due by such employer to such 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 payments showing that all taxes deducted during the quarter have been paid to the City in accordance with the payment schedule prescribed by subsections (a), (b) and (c) hereof. 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. 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.

Employers shall pay to the City all income taxes withheld or required to be deducted and withheld on either a semimonthly, monthly or quarterly basis depending on the amount of taxes involved according to the following payment schedule:

- (a) Semimonthly payments of the taxes deducted are to be made by an employer if the total taxes deducted in the prior calendar year were twelve thousand dollars (\$12,000) or more, or if the amount of taxes deducted for any month in the preceding quarter exceeded one thousand dollars (\$1,000). Such payment shall be paid to the City within five banking days after the fifteenth and the last days of each month.
- (b) Monthly payments of taxes withheld shall be made by an employer if the taxes withheld in the prior calendar year were less than twelve thousand dollars (\$12,000) but more than one thousand one hundred ninety nine dollars (\$1,999) or if the taxes withheld during any month for the preceding quarter exceeded one hundred dollars (\$100.00). Such payments 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 pursuant to this subsection need not be paid until the last day of the month following such quarter.
- (c) All employers not required to make semimonthly or monthly payments of taxes withheld under subsections (a) and (b) hereof shall make quarterly payments not later than the last day of the month following the end of each quarter.

Each employer who maintains a place of business in the City and another branch within the County must also withhold the tax from employees residing in the City but working at the employer's metropolitan area branch even though the payroll records and place of payment are outside the City.

The employer shall make and file a return on a form furnished by the City Auditor, showing the amount of tax deducted by such employer from the salaries, wages, commissions or other compensation of any employee and paid by the employer to the City Auditor. Such employer's return shall be accepted as the return required of an employee whose sole income subject to the tax under this chapter is the salaries, wages, commissions and other compensation returned by such employer.

Each employer, on or before January 31, unless written request for thirty days extension is made to and granted by the City Auditor, following any calendar year in which such deductions have been made, or shall have been made by an employer, shall file with the City Auditor an information return (Bexley Withholding Statement of Wages Paid and Bexley Income Tax Withheld) 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.

Where a resident of the City performs service for his employer in another municipality, which services are subject to withholding in the other municipality, the employer shall have the authority to reduce the withholding to the City to the extent of the tax liability in the other municipality.

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 prior failure of the corporation to file returns or pay tax due.

880.18 ALLOCATION OF FUNDS.

The funds collected under the provisions of this chapter shall be applied for the following purposes and in the following order:

- (a) Such part thereof as is necessary to defray all costs of collecting the taxes levied by this chapter and enforcing the provisions hereof;
- (b) FIFTEEN PERCENT OF THE FUNDS SHALL BE DEPOSITED IN A SPECIAL FUND TO BE USED ONLY FOR THE PURPOSES OF PROVIDING NEW EQUIPMENT AND CAPITAL IMPROVEMENTS OR FOR THE PAYMENT OF INTEREST ON BONDS AND NOTES ISSUED BY THE CITY FOR NEW EQUIPMENT AND CAPITAL IMPROVEMENTS;
- ~~(c)~~ (c) The balance of such funds shall be transferred to the General Fund.

Section 2. That existing Sections 880.02, 880.04, 880.07, and 880.18 of the Codified Ordinances of the City of Bexley are hereby repealed.

Section 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law, providing it receives a majority vote at the general election on November 3, 1987.

Passed: July 28, 1987

J. J. Johnson
President of Council

Attest: J. J. Johnson
Clerk of Council

June 23, 1987 - 1st reading
July 14, 1987 - 2nd reading
July 28, 1987 - 3rd reading
Adopted

Approved: July 28, 1987
David H. Madison
David H. Madison, Mayor

CERTIFICATE

The undersigned hereby certifies to the Board of Elections of Franklin County, Ohio, that:

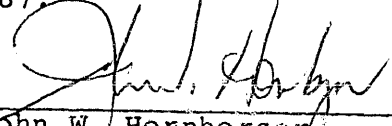
1. He is the Clerk of the City Council of the City of Bexley, Ohio.

2. The copy of Substitute Resolution No. 6-87 attached hereto as Exhibit A is a true and accurate copy of Substitute Resolution No. 6-87 which was adopted at a meeting of the Bexley City Council duly held on July 28, 1987 by the following vote: In favor: John T. Loehnert, John H. Offenberger, William N. Bellamy, Albert J. Myers, Joanne H. Ranft, Robert K. Schmitz and Mark R. Masser; Opposed: None.

3. The copy of Substitute Ordinance No. 53-87 attached hereto as Exhibit B is a true and accurate copy of Substitute Ordinance No. 53-87, which was adopted at a meeting of the Bexley City Council duly held on July 28, 1987 by the following vote: In favor: John T. Loehnert, John H. Offenberger, William N. Bellamy, Albert J. Myers, Joanne H. Ranft, Robert K. Schmitz and Mark R. Masser; Opposed: None.

4. Substitute Resolution No. 6-87 and Substitute Ordinance No. 53-87, in the forms attached hereto, are in full force and effect, without amendment, as of the date hereof.

In Witness Whereof, the undersigned has executed this certificate and affixed to it the seal of the City of Bexley, Ohio as of this 31st day of July, 1987.



John W. Hornberger
Clerk of Council
Bexley, Ohio