



Income Tax Department
2125 Richards Road
Ottawa Hills OH 43606
Phone: 419-536-6502
Fax: 419-535-3550
Web: www.ottawahills.org

BUSINESS INCOME TAX QUESTIONNAIRE

Name _____

Social Security # _____

Address _____

Federal ID # _____

Business Phone _____

In accordance with Ottawa Hills Tax Ordinance 2015-10 a tax rate of 1.5% is imposed on qualifying wages earned within the Village for employees working for resident employers. Section 5.052 of this Ordinance provides special rules to determine when or if non-resident employers with employees working in the Village are required to withhold Village tax. Please see the reverse side of this questionnaire for the Employer Withholding Rules which summarizes these provisions. For specific requirements, please see the above stated Ordinance and Ohio Revised Code 718. Feel free to call our office to discuss these requirements for application to your situation.

Please note: Employers electing to withhold on their employees with Village residency need only complete the top portion and lines 2 and 9 below.

Please complete this questionnaire and return the completed form to this office.

1. Nature of business _____

2. Starting date of activity (attach list of sub-contractors) _____

3. Number of employees to be employed in Ottawa Hills _____

4. If branch office, list name and address of main office _____

5. Address to which forms should be mailed _____

6. Type of organization: (a)Corp ____ (b)Ptnrshp ____ (c)Prop ____ (d)Other _____

7. Date of accounting year end _____

8. **Exemptions:** ____ Job(s) expected to not exceed 20 days; ____ Employees will not meet the preponderance of a day for more than 20 days; ____ Small employer exemption (May need to verify with prior year federal return).

9. If withholding Ottawa Hills tax as a convenience for resident employees, please check here _____

I certify that the listed and/or attached information is true and correct.

(authorized representative & title)

(date)

Employer Withholding Rules

State law has mandated rules for when employers are required to withhold local income tax on employees working in various worksites. A summary of these rules are listed below.

Quarterly due dates:

April 30,
July 31,
October 31, and
January 31

Monthly due date:

15 days after month end

Threshold requiring monthly remittance:

Prior year annual total withholding for the Village exceeded \$2,399.00
Any month in the prior quarter where withholding for the Village exceeded \$200.00

Reconciliations are due by the last day of February and must include: W-2 information for each employee working in the Village, and local data naming other cities for which tax was withheld.

Occasional Entrant Rules

For greater detail, see our Income Tax Ordinance 2015-10 Sections 5.051 and 5.052. This information is deemed to be in compliance with Ohio Revised Code 718 as effective January 1, 2016.

Small Employer Exemption

Small employers with prior year total revenue of less than \$500,000 are exempt from withholding on their employees working in other cities, no matter how many days worked. These employers are only required to withhold for the city in which the business is located. Cities may require verification of the small employer exemption if the prior year net profit return is not on file.

Twenty-Day Rule

Determination of when a nonresident employee working for a nonresident employer has Village taxable wages center around the 20-day rule and preponderance of a day criteria.

The 20-day rule allows a 20 day exemption from Village withholding except for the following:

The employer knows at the beginning of the project in the Village that the employee will be working in the Village for more than 20 days (presumed worksite location),

The Village or Village job location will be a principal place of work for the employee (see Section 5.052(A)(7) of Ordinance 2015-10)

Preponderance of a Day Rule

The Preponderance of a day rules seek to determine one work city per work day for the employee. All travel times between jobs, delivery of materials, and the like are attributed to the principal place of work municipality. If the employee meets the preponderance of a day for more than 20 days, the employer is required to withhold Village tax on the 21st and future days that the employee spends the preponderance of the day in the Village.

Workplace definitions are very important to understand as fixed locations, principal place of work locations and presumed worksite locations require employers to withhold on employees in these locations from day one. Please feel free to call the tax office to discuss your circumstances and assist in determining whether there is a withholding requirement with the Village.