

Municipal Tax Law Changes Take Effect Tax Year 2016

The State of Ohio has made significant changes to the Ohio municipal income tax laws (Chapter 718 of the Ohio Revised Code).

Interest Rate

2016 Interest Rate is 5% per annum (0.42% per month)

The interest rate to be applied to all unpaid income and withholding tax balances for tax years beginning on or after January 1, 2016 is 5% per annum. This rate is being published in accordance with Ohio Revised Code 718.27(F) which states that “By the thirty-first day of October of each year the municipal corporation shall publish the rate described in division (A) of this section applicable to the next succeeding calendar year”. This rate is in effect from January 1, 2016 through December 31, 2016 and does not apply to tax balances for any prior tax years, regardless of when they are filed, which are still subject to the interest rate of 0.5% per month as stated in 181.10(a) of the City of Mason Income Tax Code covering tax years beginning prior to January 1, 2016.

Individual Estimated Payment Due Dates

Beginning January 1, 2016, your individual quarterly estimated tax payments are due April 15, June 15, September 15 and December 15 of each year.

Taxpayers' Rights and Responsibilities

“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.