

CITY OF COLUMBIANA INCOME TAX DEPARTMENT  
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IMPORTANT INCOME TAX INFORMATION

Pursuant to the passage of Amended Substitute House Bill 5 in December 2014, new **State mandated** municipal income tax guidelines have been established, **effective with tax returns due for tax years beginning January 1, 2016 and after.**

**CHANGES IN THE FILING DUE DATE FOR WITHHOLDING TAX RETURN**

Withholding Tax Returns and Payment must be received no later than the 15<sup>th</sup> of the month following the reporting period.

**CHANGES IN PENALTY AND INTEREST RATES**

INTEREST will be calculated at the July Federal short term interest rate plus 5.0%. For 2016 returns, paid in 2016, the interest rate is 5.0% per annum. (or a monthly interest rate of .42%)

The LATE FILING PENALTY is \$25.00 per month, per return (capped at \$150.00 per return)

The WITHHOLDING TAX-LATE PAYMENT PENALTY is a one time 50% penalty of the unpaid balance at the time the payment is due.

**CHANGES IN MONTHLY AND QUARTERLY WITHHOLDING THRESHOLDS**

Employers must remit **monthly** if withholding in the previous calendar year exceeded \$2,399.00 or if the amount required to be withheld during any month of the previous calendar quarter exceeded \$200.00.

Employers can remit **quarterly** if their withholdings are under the thresholds described for monthly filers.

**WITHHOLDING GUIDELINES FOR EMPLOYERS WITH TRANSIENT WORKERS AND FOR THOSE EMPLOYERS QUALIFIED AS A "SMALL EMPLOYER"**

Details are available in Ohio Revised Code Chapter 718. See section 718.011

Chapter 718 of the Ohio Revised Code can be found at: <http://codes.ohio.gov/orc718>.