

Employer Withholding Instructions

What is an employer's Findlay Income Tax Department account number?

Your account number for any municipality administered by our department is your Federal employer identification number. We use a single-digit suffix to designate the community (99999999-#).

Findlay = 0 Arlington = 1 Mount Cory = 2 Vanlue = 3
Carey = 4 Mount Blanchard = 5 Jenera = 6

For Ohio Business Gateway transactions, use solely your Federal employer identification number and simply select each appropriate municipality administered by the Findlay Income Tax Department.

Which employers must withhold and remit the municipal income tax?

ORC 718.03(A), in part:

(1) Each employer, agent of an employer, or other payer located or doing business in a municipal corporation that imposes a tax on income in accordance with this chapter shall withhold from each employee an amount equal to the qualifying wages of the employee earned by the employee in the municipal corporation multiplied by the applicable rate of the municipal corporation's income tax, except for qualifying wages for which withholding is not required under section 718.011 of the Revised Code or division (D) or (F) of this section. An employer, agent of an employer, or other payer shall deduct and withhold the tax from qualifying wages on the date that the employer, agent, or other payer directly, indirectly, or constructively pays the qualifying wages to, or credits the qualifying wages to the benefit of, the employee. (Ohio Revised Code 718.03 is displayed below in its entirety.)

What is the taxable wage base?

Each employer is required to withhold on qualifying wages as defined in Chapter 718.01(R) of the Ohio Revised Code (shown below). Generally, qualifying wages refers to IRC section 3121(a) Medicare wages, without being reduced by any wage limitations. Employees not subject to the Medicare tax because they were hired prior to April 1, 1986 or because they are foreign nationals are subject to municipal income tax on the amount that otherwise would be reported as Medicare wages. Amounts related to stock options reported on W-2s are taxable. Contributions to IRC 401(k), 403(b), 457, and similar deferred compensation plans are taxable. Supplemental unemployment compensation benefits described in IRC 3402(o)(2) are taxable [ORC 718.01(C)(3)]. IRC 125 cafeteria plan contributions are not taxable by any Ohio municipality [ORC 718.01(R)(1)(a)].

There is no municipal income tax exclusion for wages earned by foreign nationals who are employed within the municipality, even if their wages are not subject to the W-2 box 5 Medicare wages.

The value of health insurance benefits should be excluded from the municipal wages of S corporation employees who own more than two percent of an S corporation.

Also see the withholding requirements delineated in uncodified Section 29 of Amended Substitute House Bill 197 of the 133rd Ohio General Assembly in response to the 2020 pandemic, shown below.

Make checks payable to:

For all six municipalities administered by the Findlay Income Tax Department, make checks payable to: City of Findlay.

What is the remittance frequency?

ORC 718.03(B)(1), in part:

(a) Taxes required to be deducted and withheld shall be remitted monthly to the tax administrator if the total taxes deducted and withheld or required to be deducted and withheld by the employer, agent, or other payer on behalf of the municipal corporation in the preceding calendar year exceeded two thousand three hundred ninety-nine dollars, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of the municipal corporation in any month of the preceding calendar quarter exceeded two hundred dollars.

(b) Any employer, agent of an employer, or other payer not required to make payments under division (B)(1)(a) of this section of taxes required to be deducted and withheld shall make quarterly payments to the tax administrator. (Ohio Revised Code 718.03 is displayed below in its entirety.)

What are the employer withholding due dates?

Quarterly Remittances: April 30, or the next business day
July 31, or the next business day
October 31, or the next business day
January 31, or the next business day

Monthly Remittances: 15th of each following month, or the next business day

Annual W-3 Reconciliation: February 28th or 29th, or the next business day

W-2 Wage and Tax Statements: February 28th or 29th, or the next business day

CSV or EFW2 Formats Electronically: February 28th or 29th, or the next business day

We use the USPS or delivery service postmark date for all returns and payments.

At what age is an individual subject to the municipal income tax?

Age 18 as of January 1, 2024.

What are the tax rates?

Findlay: 1.00%	Arlington: 1.00%	Mount Cory: 1.00%	Jenera 1.00%
Vanlue: 1.00%	Carey: 1.50%	Mount Blanchard: 1.00%	

Vanlue’s one-percent village income tax was enacted January 1, 2016.
 Mount Cory’s one-percent village income tax was enacted January 1, 2016.
 Mount Blanchard’s one-percent village income tax was enacted January 1, 2019.
 Jenera’s one-percent village income tax was enacted January 1, 2022.

What if an employer was not required to withhold the tax for a period?

Please file the W-1 employer withholding remittance forms for all periods and the annual W-3 Reconciliation form, even if no tax is due, even if no tax was required to be withheld, and even if no tax was withheld voluntarily. Simply report zero on line 1 of the W-1 Form.

What is the W-3 Annual Reconciliation?

Use the W-3 Reconciliation to compare the amount you withheld (line 3) or should have withheld (line 2) to the amount you have paid to each municipality (line 5). Please submit the annual W-2s and W-3 Reconciliation by the last day of February or the next business day thereafter. Electronic media reporting is required to be submitted using a CSV format prescribed by the Income Tax Department or the EFW2 format prescribed by the SSA. Please, no scanned images by e-mail or on CDs.

What are the penalties, interest, and late charges?

Late Payment Penalty: 50%
 Late Filing Penalty: \$25.00 as of January 1, 2024.
 Interest Charges: See Ohio Revised Code 718.27(A)(4), (A)(5), (C), and (C)(1)

USPS mail to:

INCOME TAX DEPARTMENT
PO BOX 862
FINDLAY OH 45839-0862

Delivery service ship to:

INCOME TAX DEPARTMENT
318 DORNEY PLZ RM 115
FINDLAY OH 45840-3346

Ohio Revised Code Section 718.01(R) "Qualifying Wages"

(R) "Qualifying wages" means wages, as defined in section 3121(a) of the Internal Revenue Code, without regard to any wage limitations, adjusted as follows:

(1) Deduct the following amounts:

- (a) Any amount included in wages if the amount constitutes compensation attributable to a plan or program described in section 125 of the Internal Revenue Code.
- (b) Any amount included in wages if the amount constitutes payment on account of a disability related to sickness or an accident paid by a party unrelated to the employer, agent of an employer, or other payer.
- (c) Any amount attributable to a nonqualified deferred compensation plan or program described in section 3121(v)(2)(C) of the Internal Revenue Code if the compensation is included in wages and the municipal corporation has, by resolution or ordinance adopted before January 1, 2016, exempted the amount from withholding and tax.
- (d) Any amount included in wages if the amount arises from the sale, exchange, or other disposition of a stock option, the exercise of a stock option, or the sale, exchange, or other disposition of stock purchased under a stock option and the municipal corporation has, by resolution or ordinance adopted before January 1, 2016, exempted the amount from withholding and tax.
- (e) Any amount included in wages that is exempt income.

(2) Add the following amounts:

- (a) Any amount not included in wages solely because the employee was employed by the employer before April 1, 1986.
- (b) Any amount not included in wages because the amount arises from the sale, exchange, or other disposition of a stock option, the exercise of a stock option, or the sale, exchange, or other disposition of stock purchased under a stock option and the municipal corporation has not, by resolution or ordinance, exempted the amount from withholding and tax adopted before January 1, 2016. Division (R)(2)(b) of this section applies only to those amounts constituting ordinary income.
- (c) Any amount not included in wages if the amount is an amount described in section 401(k), 403(b), or 457 of the Internal Revenue Code. Division (R)(2)(c) of this section applies only to employee contributions and employee deferrals.
- (d) Any amount that is supplemental unemployment compensation benefits described in section 3402(o)(2) of the Internal Revenue Code and not included in wages.
- (e) Any amount received that is treated as self-employment income for federal tax purposes in accordance with section 1402(a)(8) of the Internal Revenue Code.
- (f) Any amount not included in wages if all of the following apply:
 - (i) For the taxable year the amount is employee compensation that is earned outside of the United States and that either is included in the taxpayer's gross income for federal income tax purposes or would have been included in the taxpayer's gross income for such purposes if the taxpayer did not elect to exclude the income under section 911 of the Internal Revenue Code;
 - (ii) For no preceding taxable year did the amount constitute wages as defined in section 3121(a) of the Internal Revenue Code;
 - (iii) For no succeeding taxable year will the amount constitute wages; and

(iv) For any taxable year the amount has not otherwise been added to wages pursuant to either division (R)(2) of this section or section 718.03 of the Revised Code, as that section existed before the effective date of H.B. 5 of the 130th general assembly, March 23, 2015.

Ohio Revised Code Section 718.03 "Withholding Taxes from Qualifying Wages"

(A)

(1) Each employer, agent of an employer, or other payer located or doing business in a municipal corporation that imposes a tax on income in accordance with this chapter shall withhold from each employee an amount equal to the qualifying wages of the employee earned by the employee in the municipal corporation multiplied by the applicable rate of the municipal corporation's income tax, except for qualifying wages for which withholding is not required under section 718.011 of the Revised Code or division (D) or (F) of this section. An employer, agent of an employer, or other payer shall deduct and withhold the tax from qualifying wages on the date that the employer, agent, or other payer directly, indirectly, or constructively pays the qualifying wages to, or credits the qualifying wages to the benefit of, the employee.

(2) In addition to withholding the amounts required under division (A)(1) of this section, an employer, agent of an employer, or other payer may also deduct and withhold, on the request of an employee, taxes for the municipal corporation in which the employee is a resident.

(B)

(1) Except as provided in division (B)(2) of this section, an employer, agent of an employer, or other payer shall remit to the tax administrator of a municipal corporation the greater of the income taxes deducted and withheld or the income taxes required to be deducted and withheld by the employer, agent, or other payer according to the following schedule:

(a) Taxes required to be deducted and withheld shall be remitted monthly to the tax administrator if the total taxes deducted and withheld or required to be deducted and withheld by the employer, agent, or other payer on behalf of the municipal corporation in the preceding calendar year exceeded two thousand three hundred ninety-nine dollars, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of the municipal corporation in any month of the preceding calendar quarter exceeded two hundred dollars. Payments under division (B)(1)(a) of this section shall be made to the tax administrator not later than fifteen days after the last day of each month.

(b) Any employer, agent of an employer, or other payer not required to make payments under division (B)(1)(a) of this section of taxes required to be deducted and withheld shall make quarterly payments to the tax administrator not later than the last day of the month following the last day of each calendar quarter.

(2) Notwithstanding division (B)(1) of this section, a municipal corporation may require, by resolution, ordinance, or rule, an employer, agent of an employer, or other payer to do any of the following:

(a) Remit taxes deducted and withheld semimonthly to the tax administrator if the total taxes deducted and withheld or required to be deducted and withheld on behalf of the municipal corporation in the preceding calendar year exceeded eleven thousand nine hundred ninety-nine dollars, or if the total amount of taxes deducted and withheld or required to be deducted and withheld on behalf of the municipal corporation in any month of the preceding calendar year exceeded one thousand dollars. The payment under division (B)(2)(a) of this section shall be made to the tax administrator not later than one of the following:

(i) If the taxes were deducted and withheld or required to be deducted and withheld during the first fifteen days of a month, the third banking day after the fifteenth day of that month;

(ii) If the taxes were deducted and withheld or required to be deducted and withheld after the fifteenth day of a month and before the first day of the immediately following month, the third banking day after the last day of that month.

(b) Make payment by electronic funds transfer to the tax administrator of all taxes deducted and withheld on behalf of the municipal corporation if the employer, agent of an employer, or other payer is required to make payments

electronically for the purpose of paying federal taxes withheld on payments to employees under section 6302 of the Internal Revenue Code, 26 C.F.R. 31.6302-1, or any other federal statute or regulation. The payment of tax by electronic funds transfer under this division does not affect an employer's, agent's, or other payer's obligation to file any return as required under this section.

(C) An employer, agent of an employer, or other payer shall make and file a return showing the amount of tax withheld by the employer, agent, or other payer from the qualifying wages of each employee and remitted to the tax administrator. Unless the tax administrator requires all individual taxpayers to file a tax return under section 718.05 of the Revised Code, a return filed by an employer, agent, or other payer under this division shall be accepted by a tax administrator and municipal corporation as the return required of an employee whose sole income subject to the tax under this chapter is the qualifying wages reported by the employee's employer, agent of an employer, or other payer.

(D) An employer, agent of an employer, or other payer is not required to withhold municipal income tax with respect to an individual's disqualifying disposition of an incentive stock option if, at the time of the disqualifying disposition, the individual is not an employee of either the corporation with respect to whose stock the option has been issued or of such corporation's successor entity.

(E)

(1) An employee is not relieved from liability for a tax by the failure of the employer, agent of an employer, or other payer to withhold the tax as required under this chapter or by the employer's, agent's, or other payer's exemption from the requirement to withhold the tax.

(2) The failure of an employer, agent of an employer, or other payer to remit to the municipal corporation the tax withheld relieves the employee from liability for that tax unless the employee colluded with the employer, agent, or other payer in connection with the failure to remit the tax withheld.

(F) Compensation deferred before June 26, 2003, is not subject to any municipal corporation income tax or municipal income tax withholding requirement to the extent the deferred compensation does not constitute qualifying wages at the time the deferred compensation is paid or distributed.

(G) Each employer, agent of an employer, or other payer required to withhold taxes is liable for the payment of that amount required to be withheld, whether or not such taxes have been withheld, and such amount shall be deemed to be held in trust for the municipal corporation until such time as the withheld amount is remitted to the tax administrator.

(H) On or before the last day of February of each year, an employer shall file a withholding reconciliation return with the tax administrator listing the names, addresses, and social security numbers of all employees from whose qualifying wages tax was withheld or should have been withheld for the municipal corporation during the preceding calendar year, the amount of tax withheld, if any, from each such employee, the total amount of qualifying wages paid to such employee during the preceding calendar year, the name of every other municipal corporation for which tax was withheld or should have been withheld from such employee during the preceding calendar year, any other information required for federal income tax reporting purposes on Internal Revenue Service form W-2 or its equivalent form with respect to such employee, and other information as may be required by the tax administrator.

(I) The officer or the employee of the employer, agent of an employer, or other payer with control or direct supervision of or charged with the responsibility for withholding the tax or filing the reports and making payments as required by this section, shall be personally liable for a failure to file a report or pay the tax due as required by this section. The dissolution of an employer, agent of an employer, or other payer does not discharge the officer's or employee's liability for a failure of the employer, agent of an employer, or other payer to file returns or pay any tax due.

(J) An employer is required to deduct and withhold municipal income tax on tips and gratuities received by the employer's employees and constituting qualifying wages only to the extent that the tips and gratuities are under the employer's control. For the purposes of this division, a tip or gratuity is under the employer's control if the tip or gratuity is paid by the customer to the employer for subsequent remittance to the employee, or if the customer pays the tip or gratuity by credit card, debit card, or other electronic means.

(K) A tax administrator shall consider any tax withheld by an employer at the request of an employee when such tax is not otherwise required to be withheld by this chapter to be tax required to be withheld and remitted for the purposes of this section.