

INCOME TAX DIVISION  
CITY HALL  
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Springfield, OH 45501

THE CITY OF SPRINGFIELD  
STATE OF OHIO



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## EMPLOYER WITHHOLDING CHANGES

Am Sub House Bill 5 was signed and passed on December 19, 2014. The bill includes significant and wide-ranging amendments to ORC 718 which become **effective January 1, 2016 for tax years 2016 and forward**. Some of the changes for employer withholding accounts are shown below. Other changes for individuals and business accounts can soon be found on our website at [www.springfieldohio.gov](http://www.springfieldohio.gov).

Please see ORC 718.03 and 718.011 and Springfield Ordinance Chap 196.05 for all details and definitions.

### Threshold

1. Monthly remittance is required if the total Springfield withholding during the preceding calendar year exceeded \$2,399.00; or any month of the preceding quarter exceeded \$200.00.
2. Semi-monthly remittance is required if the total Springfield withholding during the preceding calendar year exceeded \$11,999.00; or any month of the preceding calendar year exceeded \$1,000.00.
3. Quarterly remittance is allowed when monthly or semi-monthly remittance is not required.

### Due Dates

1. Monthly – due by the 15<sup>th</sup> day of the next month.
2. Quarterly – Quarters 1 and 2, 2016-due by the 15<sup>th</sup> day of the month following the end of the quarter. Quarters 3 and 4, 2016 and forward- due by the last day of the month following the last day of the quarter.
3. Semi-monthly – taxes withheld during the first 15 days of a month are due by the 3<sup>rd</sup> banking day after the 15<sup>th</sup> of the month. Taxes withheld after the 15<sup>th</sup> of the month to the end of the month are due by the 3<sup>rd</sup> banking day after the last day of the month.

### Reconciliations

1. Due by the last day of February.
2. Must include: W2 information for each employee, and local data for **all** cities for which tax was withheld.

### Penalties and Interest Rates

1. Late payments will be charged a penalty equaling 50% of the tax due.
2. Interest will be charged at the Federal short term rate (2016 rate is .42% per month).
3. A late filing penalty of \$25.00 per month may be charged for each W-1 and/or W-3 filed late.

### 20 day Rule

The previous 12 day rule has been extended to a 20 day exemption from withholding, except for the following circumstances:

1. The employee's principal place of work is located in Springfield.
2. The employee performed services at one or more "presumed worksite locations" in Springfield and those services were reasonably expected, at the beginning of the project, to last more than 20 days in a calendar year.
3. The employee is a professional athlete, paid entertainer, or public figure.

Small employers, as defined in ORC 718.01(TT), are exempt from withholding on employees working in cities other than the municipality in which the business is located, regardless of number of days worked.

**Withholding forms** can be found on the City website on the Business Income Tax Page. You will not be mailed forms or booklets.

**Please see City of Springfield Tax Ordinance Chapter 196 for more information.**