

TITLE FOUR - Taxation

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**CHAPTER 880
Earned Income Tax**

EDITOR'S NOTE: Contact the City of Brunswick Income Tax Department, Council Clerk at or visit the City's Income Tax web page at www.brunswick.oh.us to obtain Codified Income Tax Laws pertaining to tax years 2016 and prior.

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CROSS REFERENCES

Power to levy income tax - see Ohio Const., Art. XVIII, Sec. 3
Payroll deductions - see Ohio R.C. 9.42
Municipal income taxes - see Ohio R.C. Ch. 718

880.005 PURPOSES. (JANUARY 1, 2010 THROUGH DECEMBER 31, 2017)

(a) To provide funds for the purposes of general municipal operations, maintenance, acquisition of new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City, there is hereby levied a tax on municipal taxable income at a rate of one percent (1.00%).

(b) To provide funds for the purpose of operating and expanding the Safety Forces of the City, there is hereby levied an additional tax effective January 1, 1996 on municipal taxable income at a rate of thirty-five one-hundredths percent (0.35%).

(c) During the period from January 1, 2010 through December 31, 2017, to provide funds for the purpose of maintaining staffing levels for the Safety Forces of the City, there is also hereby levied a tax on municipal taxable income at a rate of fifty one-hundredths percent (0.50%).

(d) Those taxes shall be imposed for the foregoing purposes, levied on an annual basis on the income of every person residing in or earning or receiving income in the City of Brunswick and measured by the person's municipal taxable income.

(e) The taxes levied under this Chapter 880 shall be levied in accordance with the provisions and limitations set forth in Chapter 718 of the Ohio Revised Code to the fullest extent required for the City to continue to levy those taxes. The required provisions and limitations of Chapter 718 of the Ohio Revised Code are hereby incorporated into this Chapter 880, and those required provisions or limitations of Chapter 718 of Ohio Revised Code shall control to the extent there is a conflict between a provision or limitation of this Chapter 880 and an express provision or limitation of Chapter 718 of the Ohio Revised Code. (Ord. 72-15. Passed 9-28-15.)

880.005.1 PURPOSES. (JANUARY 1, 2018 THROUGH DECEMBER 31, 2022)

(a) To provide funds for the purposes of general municipal operations, maintenance, acquisition of new equipment, extension and enlargement of municipal services and facilities and capital improvements of the City, there is hereby levied a tax on municipal taxable income at a rate of one percent (1.00%).

(b) To provide funds for the purpose of operating and expanding the Safety Forces of the City, there is hereby levied an additional tax effective January 1, 1996 on municipal taxable income at a rate of thirty-five one-hundredths percent (0.35%).

(c) During the period from January 1, 2018 through December 31, 2022, to provide funds for the purpose of maintaining staffing levels for the Safety Forces of the City, there is also hereby levied a tax on municipal taxable income at a rate of sixty-five one-hundredths percent (0.65%).

(d) Those taxes shall be imposed for the foregoing purposes, levied on an annual basis on the income of every person residing in or earning or receiving income in the City of Brunswick and measured by the person's municipal taxable income.

(e) The taxes levied under this Chapter 880 shall be levied in accordance with the provisions and limitations set forth in Chapter 718 of the Ohio Revised Code to the fullest extent required for the City to continue to levy those taxes. The required provisions and limitations of Chapter 718 of the Ohio Revised Code are hereby incorporated into this Chapter 880, and those required provisions or limitations of Chapter 718 of Ohio Revised Code shall control to the extent there is a conflict between a provision or limitation of this Chapter 880 and an express provision or limitation of Chapter 718 of the Ohio Revised Code. (Ord. 8-17. Passed 6-13-17.)

Earned Income Tax**880.01 ALLOCATION OF REVENUES. (JANUARY 1, 2010 THROUGH DECEMBER 31, 2017)**

The funds collected under the provisions of this Chapter 880 shall be credited to the General Fund and applied for the following purposes and in the following order:

- (a) Administration. Such part thereof as shall be necessary to defray all costs of collecting all income taxes levied and the cost of administering and enforcing the provisions of this Chapter shall be appropriated by Council for that purpose.
- (b) Allocation of Thirty-Five One-Hundredths Percent (0.35%) Tax Increase. The funds resulting from the additional 0.35% income tax rate, as provided in Ordinance No. 89-95, passed by City Council on July 24, 1995, and approved by the electors of the City at an election on November 7, 1995, shall be allocated and transferred to the Police Fund and/or the Fire Fund and appropriated for the purpose of operating and expanding the Safety Forces of the City.
- (c) Allocation of One-Half Percent (0.5%) Tax Increase. During the period from January 1, 2010 through December 31, 2017, the funds resulting from the additional 0.50% income tax rate, as provided in Ordinance No. 4-09, passed by the Council on January 26, 2009, and approved by the electors of the City at an election on May 5, 2009, and the continuation of that increase as provided in Ordinance No. 60-12, approved by the voters of the City at an election on November 6, 2012 and passed thereafter by the Council, shall be allocated and transferred to the Police Fund and/or the Fire Fund and appropriated for the purpose of maintaining staffing levels for the Safety Forces of the City.
- (d) The funds resulting from the 1.00% income tax rate, as described in Section 880.005, shall be available for appropriation and allocation, as deemed necessary by the Council of the City of Brunswick, for the following purposes: general municipal operations, maintenance, acquisition of new equipment, extension and enlargement of Municipal services and facilities and capital improvements of the City.
- (e) The Council shall, from time to time, pass Ordinances providing for the allocations required and permitted in this Section, which shall be on file with the Clerk of Council. (Ord. 72-15. Passed 9-28-15.)

880.01.1 ALLOCATION OF REVENUES. (JANUARY 1, 2018 THROUGH DECEMBER 31, 2022)

The funds collected under the provisions of this Chapter 880 shall be credited to the General Fund and applied for the following purposes and in the following order:

- (a) Administration. Such part thereof as shall be necessary to defray all costs of collecting all income taxes levied and the cost of administering and enforcing the provisions of this Chapter shall be appropriated by Council for that purpose.
- (b) Allocation of Thirty-Five One-Hundredths Percent (0.35%) Tax Increase. The funds resulting from the additional 0.35% income tax rate, as provided in Ordinance No. 89-95, passed by City Council on July 24, 1995, and approved by the electors of the City at an election on November 7, 1995, shall be allocated and transferred to the Police Fund and/or the Fire Fund and appropriated for the purpose of operating and expanding the Safety Forces of the City.

- (c) Allocation of Sixty-Five One-Hundredths Percent (0.65%) Tax Increase. During the period from January 1, 2018 through December 31, 2022, the funds resulting from the additional 0.65% income tax rate, as provided in Ordinance No. 8-17, and approved by the electors of the City at an election on May 2, 2017, and passed thereafter by the City Council, shall be allocated and transferred to the Police Fund and/or the Fire Fund and appropriated for the purpose of maintaining staffing levels for the Safety Forces of the City.
- (d) The funds resulting from the 1.00% income tax rate, as described in Section 880.005.1, shall be available for appropriation and allocation, as deemed necessary by the Council of the City of Brunswick, for the following purposes: general municipal operations, maintenance, acquisition of new equipment, extension and enlargement of Municipal services and facilities and capital improvements of the City.
- (e) The Council shall, from time to time, pass Ordinances providing for the allocations required and permitted in this Section, which shall be on file with the Clerk of Council. (Ord. 8-17. Passed 6-13-17.)

880.02 DEFINITIONS.

(a) As used herein, all references in this Chapter 880 to provisions or limitations of Chapter 718 of the Ohio Revised Code and to any Section of that Chapter 718 shall include those provisions or limitations of that Chapter or Section as in effect on January 1, 2016, of any successor statute and of any subsequent amendment to that Chapter or Section or a successor statute in effect from time to time to the fullest possible extent required for the City to continue to levy the taxes specified under this Chapter 880.

(b) The following terms as used in this Chapter 880 (either directly or by reference to Chapter 718 of the Ohio Revised Code) shall have the meanings ascribed to them in Section 718.01 of the Ohio Revised Code: "municipal taxable income"; "income"; "exempt income"; "net profit"; "adjusted federal taxable income"; "Schedule C"; "Schedule E"; "Schedule F"; "Internal Revenue Code"; "resident"; "nonresident"; "taxpayer"; "person"; "pass-through entity"; "S corporation"; "single member limited liability company"; "limited liability company"; "qualifying wages"; "intangible income"; "taxable year"; "tax administrator"; "employer"; "employee"; "other payer"; "calendar quarter"; "Form 2106"; "municipal corporation"; "disregarded entity"; "generic form"; "tax return preparer"; "Ohio business gateway"; "local board of tax review" and "board of tax review"; "net operating loss"; "postal service"; "certified mail," "express mail," and "United States mail"; "postmark date" and "date of postmark"; "related member"; "related entity"; "assessment"; "taxpayer's rights and responsibilities"; "pre-2017 net operating loss carryforward"; "small employer"; "audit"; and "publicly traded partnership." Further, any other term used in this Chapter 880 that is not otherwise defined in this Chapter and that is defined in Chapter 718 of the Ohio Revised Code shall have the same meaning as is ascribed to it in Chapter 718 of the Ohio Revised Code.

(c) Any term used in this Chapter 880 that is not otherwise defined in this Chapter or by reference to Section 718.01 of the Ohio Revised Code shall have the same meaning as when used in a comparable context in laws of the United States relating to federal income taxation or in Title LVII of the Ohio Revised Code, unless a different meaning is clearly required. If a term used in this Chapter 880 that is not otherwise defined in this Chapter or by reference to Section 718.01 of the Ohio Revised Code is used in a comparable context in both the laws of the United States relating to federal income tax and in Title LVII of the Ohio Revised Code and the use is not consistent, then the use of the term in the laws of the United States relating to federal income tax shall control over the use of the term in Title LVII of the Ohio Revised Code.

(d) For purposes of this Chapter, references in Chapter 718 of the Ohio Revised Code to "a municipal corporation" shall mean the City, except as and if the context clearly indicates or requires a different meaning.

(e) For all taxable years, any amount attributable to a nonqualified deferred compensation plan or program described in section 3121(v)(2)(C) of the Internal Revenue Code, or successor provision thereto in effect from time to time, is for purposes of this Chapter part of qualifying wages and is not a pension.
(Ord. 72-15. Passed 9-28-15.)

880.03 RENTALS.

(a) Rental income received by a taxpayer shall be included in the computation of net profit from business activities under Section 880.04 as reported on the taxpayer's Schedule E and/or as required under Chapter 718 of the Ohio Revised Code.

(b) Every property owner subject to this section shall, personally or through a management agent, submit to the Administrator a list of names, addresses, and Social Security Numbers or Employer Identification Numbers, as applicable, of all persons, firms, corporations or other entities occupying, leasing, renting or otherwise using the premises within the City in such a manner as to produce economic benefit to the property owner, whether or not such benefit is called "rent" and whether or not such benefit results in a profit or loss. The required list shall be prepared by June 30, of each year and submitted on or before July 31, of each year and prepared by December 31, of each year and submitted on or before January 31, of the following year and at such other times as may be prescribed by the Administrator.
(Ord. 72-15. Passed 9-28-15.)

880.04 IMPOSITION OF TAX. (JANUARY 1, 2016 THROUGH DECEMBER 31, 2017)

Consistent with the provisions of Section 880.005 and subject to the provisions of Section 880.15, there shall be imposed upon the municipal taxable income of all residents, nonresidents, and taxpayers that are not individuals an annual income tax as follows: (1) for the period commencing January 1, 2016 and ending December 31, 2017, an annual tax for the purposes specified in Section 880.005 at the rate of 1.85% per year; and (2) thereafter, unless a separate Ordinance providing for a different rate or rates is approved by the voters of the City and this Council or otherwise passed in accordance with law, an annual tax for the purposes specified in the first two paragraphs of Section 880.005 at the rate of 1.35% per year. The City income tax

imposed by this Section does not apply to the income of any individual who is under the age of eighteen. The determination of whether an individual is a resident or a nonresident shall be made in accordance with Section 718.012 of the Ohio Revised Code. To the extent the municipal taxable income of a nonresident or a taxpayer that is not an individual is comprised of net profit, such municipal taxable income shall be apportioned or situated to the City in accordance with Section 718.02 of the Ohio Revised Code. For any taxable year beginning on or after January 1, 2016, a taxpayer that is a member of an affiliated group of corporations may elect, in accordance with Ohio Revised Code section 718.06, to file with the City a consolidated municipal income tax return and determine its City income tax in accordance with such filing. For purposes of determining municipal taxable income for any taxable year beginning on or after January 1, 2016, an individual shall be exempt from City income tax to the extent that such individual satisfies each of the following: (1) is a dependent for federal income tax purposes of a resident; (2) is enrolled at a post-secondary institution of higher learning located outside the City and lives outside the City while enrolled at such an institution; and (3) earns or receives qualifying wages while living outside the City from an employer not located in the City. Any such individual that satisfies the requirements of the immediately preceding sentence is, however, subject to the annual City income tax return filing requirements set forth in Section 880.06. (Ord. 72-15. Passed 9-28-15.)

880.04.1 IMPOSITION OF TAX. (JANUARY 1, 2017 THROUGH DECEMBER 31, 2022)

Consistent with the provisions of Section 880.005.1 and subject to the provisions of Section 880.15, there shall be imposed upon the municipal taxable income of all residents, nonresidents, and taxpayers that are not individuals an annual income tax as follows: (1) for the period commencing January 1, 2018 and ending December 31, 2022, an annual tax for the purposes specified in Section 880.005.1 at the rate of 2.00% per year; and (2) thereafter, unless a separate Ordinance providing for a different rate or rates is approved by the voters of the City and this Council or otherwise passed in accordance with law, an annual tax for the purposes specified in the first two paragraphs of Section 880.005.1 at the rate of 1.35% per year. The City income tax imposed by this Section does not apply to the income of any individual who is under the age of eighteen. The determination of whether an individual is a resident or a nonresident shall be made in accordance with Section 718.012 of the Ohio Revised Code. To the extent the municipal taxable income of a nonresident or a taxpayer that is not an individual is comprised of net profits, such municipal taxable income shall be apportioned or situated to the City in accordance with Section 718.02 of the Ohio Revised Code. For any taxable year beginning on or after January 1, 2016, a taxpayer that is a member of an affiliated group of corporations may elect, in accordance with Ohio Revised Code Section 718.06, to file with the City a consolidated municipal income tax return and determine its City income tax in accordance with such filing. For purposes of determining municipal taxable income for any taxable year beginning on or after January 1, 2016, an individual shall be exempt from City income tax to the extent that such individual satisfies each of the following: (1) is a dependent for federal income tax purposes of a resident; (2) is enrolled at a post-secondary institution of higher learning located outside the City and lives outside the City while enrolled at such an institution; and (3) earns or receives qualifying wages while living outside the City from an employer not located in the City. Any such individual that satisfies the requirements of the immediately preceding sentence is, however, subject to the annual City income tax return filing requirements set forth in Section 880.06. (Ord. 8-17. Passed 6-13-17.)