

# Norwood Tax Office Business Form

Name of Business:

Norwood or Local Business Location:

Street Address:

City/State/Zip: Norwood, Ohio 45212

*(P.O. Box Number not acceptable as complete description)*

Local Manager and/or Executive Officer:

Local Telephone Number:

Nature of Business:

Address Where Tax Forms to be mailed (If different from above address)

Address:

City / State/ Zip:

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Federal ID#:

Or Social Security #:

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Corporate Address: Business Name:

Street Address:

City / State / Zip:

Corporate Telephone (s) #:

Corporate Chief Executive Officer:

Corporate Treasurer and or Comptroller:

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Tax return to be file on calendar year Yes or No

Or

Tax Return to be filed on Fiscal Year Starting:

Yes or No

Ending:

Number of Employees subject to Norwood Withholding tax:

*(Please note: Persons under age 16 are exempt from tax prior to 2001 age 18 years)*

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Date Business Started in Norwood Tax Department:

Signature of respondent and title:

Online Application

**Please send information to**  
City of Norwood Earnings  
Tax Department  
4645 Montgomery Road  
Norwood, Ohio 45212-2689

### **SECTION 3. IMPOSITION OF TAX.**

A. An annual tax for the purposes specified in Section 1 hereof shall be imposed on and after January 1, 1985 at the rate of 2% per annum upon the following:

1. On all salaries, wages, including sick pay, vacation pay, severance pay and supplemental unemployment pay, commissions and other compensation earned during the effective period of this ordinance by residents of the City of Norwood.
2. On all salaries, wages, including sick pay, vacation pay, severance pay, and supplemental unemployment pay, commissions and other compensation earned during the effective period of this ordinance by non-residents of the City of Norwood for work done or services performed or rendered in the City of Norwood.
3. (a) On the portion of the net profits attributable to the City of Norwood, earned during the effective period of this ordinance of all resident unincorporated businesses, associations, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the City of Norwood.  
  
(b) On the portion of distributive share of the net profits earned during the effective period of this ordinance of a resident partner or owner of a resident association or other unincorporated business entity not attributable to the City of Norwood and not levied against such unincorporated business entity or association by the City of Norwood.
4. (a) On the portion of the net profits attributable to the City of Norwood, earned during the effective period of this ordinance, of all non-resident unincorporated businesses, associations, professions or other entities, derived from sales made, work done, or services performed or rendered and business or other activities conducted in the City of Norwood, whether or not such unincorporated association or business entity has an office or place of business in the City of Norwood.  
  
(b) On the portion of the distributive share of the net profits earned during the effective period of this ordinance of a resident partner or owner of a non-resident association or other unincorporated business entity not attributable to the City of Norwood and not levied against such unincorporated business entity by the City of Norwood.
5. On the portion of the net profits attributable to the City of Norwood earned during the effective period of this ordinance of all resident and non-resident corporations derived from sales made, work done, services performed or rendered and business or other activities conducted in the City of Norwood, whether or not such corporations have an office or place of business in the City of Norwood.

## SECTION 6. COLLECTION OF TAX AT SOURCE.

A. Each employer within, or doing business within the City of Norwood who employs one or more persons on a salary, wage, commission or other compensation basis shall deduct, at the time of the payment of such salaries, wages, commissions or other compensation, the tax of two per cent (2%) per annum for the period beginning January 1, 1985 and thereafter of the gross salaries, wages, commissions or other compensation due by said employer to each said employee, except as provided for herein, together with the tax of two percent (2%) per annum for the period beginning January 1, 1985 and thereafter of the tips or gratuities reported to said employer by each such employee for Social Security or Federal Income Tax purposes, except as provided for herein, and shall make a return and pay to the Tax Commissioner the amount of taxes so deducted according to the following payment schedule:

1. Monthly payments of taxes withheld shall be made by an employer if the taxes deducted in the prior calendar year were more than THREE THOUSAND SIX HUNDRED DOLLARS (\$3,600.00) or if such deductions otherwise normally exceed THREE HUNDRED DOLLARS (\$300.00) per month. Such payments shall be made to the City within fifteen (15) days after the close of each calendar month.
2. All employers not required to make monthly payments of taxes withheld shall make quarterly payments no later than the last day of the month following the close of the calendar quarter.
3. Such return shall be on a form or forms prescribed by or acceptable to the Tax Commissioner or on a generic form provided for in Section 5-C, and shall be subject to the Rules and Regulations prescribed therefor by the Tax Commissioner.

B. Each employer in collecting said tax shall be deemed to hold same, until payment is made by such employer to the City of Norwood, as a trustee for the benefit of the City of Norwood and any such tax is paid to the City of Norwood, be deemed a trust fund in the hands of the employer. Each employer shall be liable for the payment of the tax required to be deducted and withheld, whether or not such tax, in fact, has been withheld.

C. It shall be the responsibility, jointly and severally, of the president and treasurer of each corporation, required to withhold the tax from wages of its employees, under this Section, to see that all such taxes so withheld are paid to the City of Norwood in accordance with the provisions of this Section. In the event taxes withheld by a corporation from the salaries of its employees are not paid to the City of Norwood in accordance with the provisions of this Section, the president and treasurer of said corporation shall each be criminally liable under the provisions of Section 13 hereof.

D. On or before February 15<sup>th</sup> of each year, each employer shall file a withholding return, on a form or forms prescribed by and obtainable from the Tax Commissioner, setting forth the names, addresses and social security numbers of all employees from whose compensation the tax was withheld during the preceding calendar year, together with the amount of all tax withheld and such other information as may be required by the Rules and Regulations adopted by the Tax Commissioner.

E. No person shall be required to withhold the tax on the wages or other compensation paid domestic servants employed exclusively in or about the person's residence.

- F.
1. A nonresident employer, agent of such an employer, or other payer that is not situated in the City of Norwood shall not be required to deduct and withhold taxes from the taxable income of an individual unless the total amount of tax required to be deducted and withheld for the City of Norwood on account of all of the employer's employees or all of the other payer's payees exceeds one hundred fifty dollars (\$150.00) for a calendar year.
  2. If the total amount of tax required to be deducted and withheld on account of all of the nonresident employer's employees or all of the other payer's payees exceeds one hundred fifty dollars (\$150.00) for a calendar year, the employer, agent of such an employer or other payer must deduct and withhold taxes in each ensuing year even if the amount required to be deducted and withheld in each of those ensuing years is one hundred fifty dollars (\$150.00) or less, until such time that the tax so deducted and withheld is one hundred fifty dollars (\$150.00) or less for three (3) consecutive years.

For Individuals, including employees of a company, the following items of income are subject to tax per the Tax Ordinance and Rules & Regulations (Income subject to tax is not limited to such items):

1. All salaries, wages, commissions, business income and other compensations earned by residents of the City of Norwood.
2. All Salaries, wages, commissions and other compensation earned by non-residents of the City of Norwood, including business income, for work done or services performed or rendered within Norwood.
3. Fees, tips, bonuses, gifts of any type and compensation paid domestic servants, casual employees and other types of employees.
4. Payments made to employees by an employer as vacation pay or wages, sick leave/pay or disability pay, whether employer paid or through a third party and supplemental unemployment benefits are taxable. Payments made to an employee by an employer under a wage continuation plan during periods of disability, sickness, or other absences from work are taxable.
5. Contributions by an employee from gross wages, into employer or third party trusts, pension plans, retirement or annuity plan are taxable and not excludable from gross wages subject to the City of Norwood tax, even though such may be treated as a tax free deferral for Federal Income Tax purposes (401K Plans and the like).
6. Other compensation in addition to taxable income noted above shall include, but not be limited to:
  - a. Separation and severance pay
  - b. Employer paid premiums for group term life insurance to the extent taxable for Federal Income Tax purposes.
  - c. Amounts deferred for Federal Income Tax purposes by an employee or for an employee, such deferrals being taxable at the time of payment, whether payment is made to the employee or to a third party.
  - d. Incentive payments, no matter how described, including, but not limited to payments to induce early retirement.
  - e. Employee contributions made to retirement plans whether or not picked up by the employer.
  - f. Fellowships, scholarships, stipends and grants, to the extent that they are taxable for Federal Income Tax purposes.
  - g. The ordinary income portion of a stock option or employee stock purchase plan to the extent it is taxable on the taxpayers Federal Income Tax return.
  - h. The value of employer sponsored plans which permit the participant to reduce taxable income for federal tax purposes. Such a reduction does not cause the gross wage or salary to lose its character as a gross wage on salary subject to tax and the provisions of Section 6 of the Ordinance (cafeteria plans and the like).
  - i. Income from a guaranteed annual contract.
  - j. Lump sum distribution from a qualified pension and profit sharing trusts not made pursuant to employees retirement to the extent that they are taxable for Federal Income Tax purposes, as amended.
  - k. IRA contributions.
  - l. Simplified employee pension plans (SEPP).
  - m. Income from a guaranteed annual wage contract.
  - n. Value of the personal use of a company car as reported on Federal W-2 form.
  - o. Supplemental Executive Retirement Plans (SERP).
7. Where compensation is paid or received in property, its fair market value at the time of receipt, shall be subject to the tax and to withholding. Board, lodging and similar items received by an employee in lieu of additional cash compensation shall be included in earnings at their fair market value.
  - a. In the case of domestics and other employees whose duties require them to live at their place of employment or assignment, board and lodging shall not be considered as wages or compensation earned.
  - b. Housing for clergy shall not be considered as wages or compensation paid.

## **PLEASE DOWNLOAD FORM W-1 (Withholding Slips)**

Online Application