

Pursuant to Substitute House Bill 5 of the 130th Ohio General Assembly and Ohio Revised Code Section 718.27, the following interest and penalties apply for Ohio municipal income taxes:

### **Interest**

The 2019 interest rate is seven percent (7%) per year or .583 percent per month.

The 2018 interest rate is six percent (6%) per year or .5 percent per month.

The 2017 interest rate is six percent (6%) per year or .5 percent per month.

The 2016 interest rate is five percent (5%) per year or .417 percent per month.

For all tax years prior to 2016, the interest rate is 1.5 percent per month.

The interest rate is the Federal short-term rate, rounded to the nearest whole number percent, plus five percent. The rate shall apply for the calendar year following July of the year in which the Federal short-term rate is determined.

### **Late Filing Penalty**

Annual Personal and Net-profit Income Tax Returns: A cumulative monthly penalty of twenty-five dollars (\$25), per return, to a total not to exceed one hundred fifty dollars (\$150).

Monthly and Quarterly W-1 Employer Withholding Remittance Returns and Annual W-3 Employer Withholding Reconciliations: A cumulative monthly penalty of twenty-five dollars (\$25), per return, to a total not to exceed one hundred fifty dollars (\$150).

### **Late Payment Penalty**

On unpaid income tax: Fifteen percent (15%) of the amount not timely paid.

On unpaid estimated income tax: Fifteen percent (15%) of the amount not timely paid.

On unpaid withholding tax: Fifty percent (50%) of the amount not timely paid.

"Return" includes any tax return, report, reconciliation, schedule, and other document required to be filed with the Tax Administrator or municipal corporation by a taxpayer, employer, any agent of the employer, or any other payer pursuant to applicable law, including at any time before January 1, 2016.

"Unpaid estimated income tax" means estimated income tax due but not paid by the date the tax is required to be paid under applicable law.

"Unpaid income tax" means income tax due but not paid by the date the income tax is required to be paid under applicable law.

"Unpaid withholding tax" means withholding tax due but not paid by the date the withholding tax is required to be paid under applicable law.

"Withholding tax" includes amounts an employer, any agent of an employer, or any other payer did not withhold in whole or in part from an employee's qualifying wages, but that, under applicable law, the employer, agent, or other payer is required to withhold from an employee's qualifying wages.