

ORDINANCE No. 70-6

Levying a tax to provide funds for the purposes of general municipal operation, and sewer capital improvements and bond retirement, on all salaries, wages, commissions and other compensations earned by residents of the Village of Grand Rapids; on all salaries, wages, commissions and other compensation earned by non-residents of the Village of Grand Rapids for work done or services performed or rendered in the Village of Grand Rapids; on the net profits earned on all businesses, professions or other activities conducted by residents of the Village of Grand Rapids; on the net profits earned on all businesses, professions or other activities conducted in the Village of Grand Rapids by non-residents, and on the net profits earned by all corporations doing business in the Village of Grand Rapids as the result of work done or services performed or rendered in the Village of Grand Rapids; requiring the filing of returns and furnishing of information by employers and all those subject to said tax; imposing on employers the duty of collecting the tax at the source and paying the same to the Village of Grand Rapids providing for the administration, collection and enforcement of said tax; declaring violation thereof to be a misdemeanor and imposing penalties therefore.

BE IT ORDAINED by the Council of the Village of Grand Rapids, Ohio: SECTION 1. PURPOSE. To provide funds for the purposes of general municipal operations, and sewer capital improvements and bond retirement of the Village of Grand Rapids there shall be, and is hereby, levied a tax on salaries, wages, commissions and other compensation, and on net profits as hereinafter provided.

SECTION 2. DEFINITIONS.

As used in this ordinance, the following words shall have the meaning ascribed to them in this Section, except as and if the context clearly indicates or requires a different meaning.

ADMINISTRATOR - The individual designated by the ordinance, whether appointed or elected, to administer and enforce the provisions of the ordinance.

ASSIGNMENT - The assignment made by a resident of the Village of Grand Rapids of claim for refund due from another taxing municipality granting credit to non-residents thereof.

ASSOCIATION - A partnership, limited partnership, or any other forms of unincorporated enterprise, owned by two or more persons.

BOARD OF REVIEW - The Board created by and constituted as provided in Section 13 of this ordinance.

BUSINESS - An enterprise, activity, profession, or undertaking of any nature conducted for profit or ordinarily conducted for profit, whether by an individual, partnership, association, corporation or any other entity.

CORPORATION - A corporation or joint stock association organized under the laws of the United States, the State of Ohio, or any other state, territory, or foreign country or dependency.

EMPLOYEE - One who works for wages, salaries, commission or other type of compensation in the service of an employer.

EMPLOYER - An individual, partnership, association, corporation, governmental body, or unit or agency, or any other entity, whether or not organized for profit, who or that employ one or more persons on a salary, wage, commission, or other compensation basis.

FISCAL YEAR - An accounting period of twelve (12) months or less ending on any day other than December 1st.

GROSS RECEIPTS - The total income from any source whatsoever.

NET PROFITS - A net gain from the operation of a business, profession, enterprise or other activity after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes, without deduction of taxes imposed by this ordinance, federal, state and other taxes based on income; and in the case of an association, without deduction of salaries paid to partners, and other owners; and otherwise adjusted to the requirements of this ordinance.

NON-RESIDENT - An individual domiciled outside the Village of Grand Rapids.

PERSON - Every natural person, partnership, fiduciary, association or corporation. Whenever used in any clause prescribing and imposing a penalty, the term "person" as applied to any unincorporated entity, shall mean the partners or members thereof, and as applied to corporations, the officers thereof.

PLACE OF BUSINESS - ANY bona fide office (other than a mere statutory office), factory, warehouse or other space which is occupied and used by the taxpayer in carrying on any business activity individually or through one or more of his regular employees regularly in attendance.

RECIPROCITY CREDIT - The credit granted by a municipality to its residents, and to non-residents whose city of residence grants a similar credit to non-residents thereof,

based on 50% of the lesser of the two rates.

RESIDENT - An individual domiciled in the Village of Grand Rapids.

RESIDENT UNINCORPORATED BUSINESS ENTITY - An unincorporated business entity having an office or place of business within the Village of Grand Rapids.

TAXABLE INCOME - Wages, salaries and other compensation paid by an employer or employers before any deductions and/or the net profits from the operation of a business, profession or other enterprise or activity adjusted in accordance with the provisions of the ordinance.

TAXABLE YEAR - The calendar year, or fiscal year upon the basis of which the net profits are to be computed under this ordinance and, in the case of a return for a fractional part of a year, the period for which such return is required to be made.

TAXING MUNICIPALITY - Any municipal corporation levying a municipal income tax on salaries, wages, commissions and other compensation earned by individuals, and on the net profits earned from the operation of a business, profession or other activity.

TAXPAYER - Person, whether an individual, partnership, association, or any corporation or other entity, required hereunder to file a return or pay a tax.

The singular shall include the plural, and the masculine shall include the feminine and the neuter.

SECTION 3- IMPOSITION OF TAX.

A. Subject to the provisions of Section 16 of this ordinance, an annual tax for the purposes specified in Section 1 hereof shall be imposed on and after January 1, 1971, at the rate of 1% per annum upon the following:

1. On all salaries, wages, commissions and other compensation earned during the effective period of the ordinance by residents of the Village of Grand Rapids.

2. On all salaries, wages, commissions and other compensation earned during the effective period of the ordinance by non-residents for work done or services performed or rendered in the Village of Grand Rapids.

3. (a) On the portion attributable to the Village of Grand Rapids of the net profits earned during the effective period of this ordinance of all resident unincorporated businesses, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the Village of Grand Rapids.

(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 resident unincorporated business entity not attributable to the Village of Grand Rapids and not levied against such an unincorporated business entity. Provided, however, that the liability of an individual partner or owner taxable hereunder or income attributable to another taxing municipality shall be subject to the Relief and Reciprocity Provisions of Section 15 hereof.

4. (a) On the portion attributable to the Village of Grand Rapids of the net profits earned during the effective period of this ordinance of all non-resident unincorporated businesses, professions or other entities, derived from sales made, work done or services performed or rendered and business or other activities conducted in the Village of Grand Rapids, whether or not such unincorporated business entity has an office or place of business in the Village of Grand Rapids.

(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 unincorporated business entity not attributable to the Village of Grand Rapids and not levied against such unincorporated business entity. Provided, however, that the liability of an individual partner or owner taxable hereunder or income attributable to another tax municipality shall be subject to the Relief and Reciprocity Provisions of Section 15 hereof.

5. (a) On the portion attributable to the Village of Grand Rapids of the net profits earned during the effective period of this ordinance of all corporations derived from sales made, work done, services performed or rendered and business or other activities conducted in the Village of Grand Rapids, whether or not such corporations have an office or place of business in the Village of Grand Rapids.

(b) The portion of the net profits attributable to the Village of Grand Rapids a taxpayer conducting a business, profession or other activity both within and without the boundaries of the Village of Grand Rapids shall be determined as provided in Section 718.02 of the Revised Code of Ohio and in accordance with the rules and regulations adopted by the Administrator pursuant to this ordinance.

C. Operating Loss Carry Forward.

1. The portion of a net operating loss sustained in any taxable year subsequent to January 1, 1966 (effective date of "first" ordinance permitting loss carry-forwards) allocable to the Village of Grand Rapids may be applied against the portion of the profit of succeeding year's) allocable to the Village of Grand Rapids, until exhausted but in no event for more than five (5) taxable years. No portion of a net operating loss shall be carried back against net profits of any prior year.

2. The portion of a net operating loss sustained shall be allocated to the Village of Grand Rapids in the same manner as provided herein for allocating net profits to the Village of Grand Rapids.

3. The Administrator shall provide by Rules and Regulations the manner in which such net operating loss carry-forward shall be determined.

D. Consolidated Returns.

1. Filing of consolidated returns may be permitted or required in accordance with Rules and Regulations prescribed by the Administrator.

2. In the case of a corporation that carried on transactions with its stockholders or with other corporations related by stock ownership, interlocking directorates, or some other method, or in case any person operates a division, branch, factory, office, laboratory or activity within the Village of Grand Rapids constituting a portion only of its total business, the Administrator shall require such additional information as he may deem necessary to ascertain whether net profits are properly allocated to the Village of Grand Rapids. If the Administrator finds net profits are not properly allocated to the Village of Grand Rapids by reason of transactions with stockholders or with other corporations related by stock ownership, interlocking directorates, or transactions with such division, branch, factory, office, laboratory or activity or by some other method, he shall make such allocation as he deem appropriate to produce a fair and proper allocation of net profits to the Village of Grand Rapids.

E. EXCEPTION. The tax provided for herein shall not be levied upon the military pay or allowances of members of the armed forces of the United States, or upon the net profits of any civic, charitable, religious, fraternal or other organization specified in Section 718.01 of the Revised Code of Ohio to the extent that such net profits are exempted from municipal income taxes under said Section.

SECTION 4 - EFFECTIVE PERIOD.

Said tax shall be levied, collected and paid with respect to the salaries, wages, commissions and other compensation, and with respect to the net profits of business, professions or other activities earned on and after January 1, 1971, until repealed in accordance with law.

SECTION 5 - RETURN AND PAYMENT OF TAX.

A. Each taxpayer, except as herein provided, shall, whether or not a tax be due thereon, make and file a return on or before April 30, of the year following the effective date of this ordinance, and on or before April 30, of each year thereafter. When the return is made

for a fiscal year or other period different from the calendar year, the return shall be filed within four (4) months from the end of such fiscal year or period.

B. The return shall be filed with the Administrator on a form or forms furnished by or obtainable upon request from such Administrator setting forth:

1. (a) The aggregate amount of salaries, wages, commissions and other compensation earned; and

(b) The gross income from a business, profession or other activity less allowable expenses incurred in the acquisition of such gross income;

(c) Such income shall include only income earned during the year, or-portion thereof, covered by the return and subject to the tax imposed by this ordinance;

2. (a) The amount of tax imposed by this ordinance on income reported;

(b) Any credits to which the taxpayer may be entitled under the provisions of Sections 6,7 and 15 of this ordinance; and

3. Such other pertinent statements, information returns, or other information as the Administrator may require.

C. The Administrator may extend the time for filing of the annual return upon the request of the taxpayer for a period of not to exceed six (6) months, or one (1) month beyond any extension requested of or granted by the Internal Revenue Service for the filing of the Federal Income Tax Return. The Administrator may require a tentative return, accompanied by payment of the amount of tax shown to be due thereon by the date the return is normally due. No penalty or interest shall be assessed in those cases in which the return is filed and the final tax paid within the period as extended.

D. 1. The taxpayer making a return shall, at the time of filing thereof, pay to the Administrator the balance of tax due, if any, after deducting:

(a) The amount of Grand Rapids income tax deducted or withheld at the source pursuant to Section 6 hereof;

(b) Such portion of the tax as has been paid on declaration by the taxpayer pursuant to Section 7 hereof;

(c) Any credit allowable under the provisions of Section 15 hereof.

2. Should the return, or the records of the Administrator, indicate an overpayment of the

tax to which the Village of Grand Rapids is entitled under the provisions of this ordinance, such overpayment shall first be applied against any existing liability and the balance, if any, at the election of the taxpayer communicated to the Administrator, shall be refunded or transferred against any subsequent liability. Provided, however, that overpayments of less than One Dollar (\$1.00) shall not be refunded.

E. 1. AMENDED RETURNS: Where necessary an amended return must be filed in order to report additional income and pay any additional tax due, or claim a refund of tax overpaid, subject to the requirements and/or limitations contained in Sections 11 and 15. Such amended returns shall be on a form obtainable on request from the Administrator. A taxpayer may not change the method of accounting or apportionment of net profits after the due date for filing the original return.

2. Within three (3) months from the final determination of any federal tax liability affecting the taxpayer's Village of Grand Rapids tax liability, such taxpayer shall make and file an amended Village of Grand Rapids return showing income subject to the Village of Grand Rapids tax based upon such final determination of federal tax liability, and pay any additional tax shown due thereon or make claim for refund of any overpayment.

SECTION 6. COLLECTION AT SOURCE.

A. 1. Each employer within or doing business within the Village of Grand Rapids who employs one or more persons on a salary, wage, commission or other compensation basis shall, at the time of payment thereof, deduct the tax of 1% from the gross salaries, wages, commissions or other compensation earned by the Village of Grand Rapids residents regardless of where such compensation was earned and shall deduct the tax of 1% from the salaries, wages, commissions or other compensation earned within the Village of Grand Rapids by non-residents;

2. Notwithstanding the provisions of paragraph A-1 of this Section, where such employer employs a Village of Grand Rapids resident in another taxing municipality requiring such employer to deduct its tax from all employees engaged therein, such employer shall withhold for and remit to the Village of Grand Rapids only the difference, if any, between the tax imposed by such other taxing municipality and the tax imposed by this ordinance;

3. Each such employer shall, on or before the last day of the month following each calendar quarter, make a return and remit to the Village of Grand Rapids the tax hereby required to be withheld. Such return shall be on a form or forms prescribed by or acceptable to the Administrator and shall be subject to the rules and regulations prescribed therefore by the Administrator. Such employer shall be liable for the payment of the tax required to be deducted and withheld whether or not such taxes have in fact been withheld;

4. On or before the 31st day of January following any calendar year such employer shall file with the Administrator an information return for each employee from whom the Village of Grand Rapids Income Tax has been, or should have been withheld, showing the name, address and Social Security number of the employee, the total amount of compensation paid during the year and the amount of the Village of Grand Rapids Income Tax withheld from such employee.

B. Such employer in collecting said tax shall be deemed to hold the same, until payment is made by such employer to the Village of Grand Rapids, as a Trustee for the benefit of the Village of Grand Rapids and any such tax collected by such employer from his employees shall, until the same is paid to the Village of Grand Rapids, be deemed a trust fund in the hands of such employer.

SECTION 7 - DECLARATIONS.

A. Every person who anticipates any taxable income which is not subject to Section 6 hereof, or who engages in any business, profession, enterprise or activity subject to the tax imposed by Section 3 hereof shall file a declaration setting forth such estimated income or the estimated profit or loss from such business activity together with the estimated tax due thereon, if any; provided, however, if a person's income is wholly from wages from which the tax will be withheld and remitted to the Village of Grand Rapids in accordance with Section 6 hereof, such person need not file a declaration.

B. 1. Such declaration shall be filed on or before April 30 of each year during the life of this ordinance, or within four (4) months of the date the taxpayer becomes subject to tax for the first time.

2. Those taxpayers reporting on a fiscal year basis shall file a declaration within four (4) months after the beginning of each fiscal year or period.

C. 1. Such declaration shall be filed upon form furnished by, or obtainable from, the Administrator. Credit shall be taken for Village of Grand Rapids income tax to be withheld, if any, from any portion of such income. In addition, credit may be taken for tax payable to other taxing municipalities in accordance with the provisions of Section 15 hereof.

2. The original declaration (or any subsequent amendment thereof) may be increased or decreased on or before any subsequent quarterly payment date as provided for herein.

D. The taxpayer making the declaration shall, at the time of the filing thereof, pay to the Administrator at least one-fourth (1/4) of the estimated annual tax due after deducting:

1. Any portion of such tax to be deducted or withheld at the source pursuant to Section 6 hereof;

2. Any credits allowable under the provisions of Section 15 hereof; and,
3. Any overpayment of previous year's tax liability which taxpayer has not elected to have refunded.

At least a similar amount shall be paid on or before the last day of the sixth, ninth and twelfth month after the beginning of taxpayer's taxable year, provided that in case an amended declaration has been duly filed, or the taxpayer is taxable for a portion of the year only, the unpaid balance shall be paid in equal installments on or before the remaining payment dates.

E. On or before the last day of the fourth month of the year following that for which such declaration or amended declaration was filed, and annual return shall be filed and any balance which may be due the Village of Grand Rapids shall be paid there with in accordance with the provisions of Section 5 hereof.

F. Notwithstanding any provision or requirement of this Ordinance to the contrary, if a taxpayer resides or proposes to reside in the Village of Grand Rapids or engages in business or proposes to engage in business therein for a period of less than three (3) months or if the Administrator determines that the residence of any taxpayer in the Village or the period during which any taxpayer will engage in business in the Village may reasonably be expected to be less than three (3) months, the Administrator may require any such taxpayer to file a declaration and/or a return within such time as he may reasonable fix and to pay or secure the payment of any tax due or to become due and/or any tax withheld or required to be withheld during the period of residence or engagement in business or the period of such residence or engagement in business estimated by the Administrator.

The date or dates fixed by the Administrator for the filing of declarations and/or returns and/or for payments or security for payments of taxes pursuant to this Sub-section F shall be in lieu of the dates for such filing or payment specified for taxpayers generally to this Ordinance.

SECTION 8. DUTIES OF THE ADMINISTRATOR.

A. 1. It shall be the duty of the Grand Rapids Tax Administrator to receive the tax imposed by this ordinance in the manner prescribed herein from the taxpayers; to keep an accurate record thereof; and to report all monies so received.

2. It shall be the duty of the Administrator to enforce payment of all taxes owing the Village of Grand Rapids, to keep accurate records for a minimum of five (5) years showing the amount due from each taxpayer required to file a declaration and/or make any return,

including taxes withheld, and to show the dates and amounts of payments thereof.

B. Said Administrator is hereby charged with the enforcement of the provisions of this ordinance, and is hereby empowered, subject to the approval of the Board of Review, to adopt and promulgate and to enforce rules and regulations relating to any matter or thing pertaining to the collection of taxes and the administration and enforcement of the provisions of this ordinance, including provisions for the re-examination and correction of returns.

C. In any case where a taxpayer has failed to file a return or has filed a return which does not show the proper amount of tax due, the Administrator may determine the amount of tax appearing to be due the Village of Grand Rapids from the taxpayer and shall send to such taxpayer a written statement showing the amount of tax so determined, together with interest and penalties thereon, if any.

SECTION 9. INVESTIGATIVE POWERS OF THE ADMINISTRATOR - PENALTY FOR DIVULGING CONFIDENTIAL INFORMATION.

A. The administrator, or any authorized employee, is hereby authorized to examine the books, papers, records and federal income tax returns of any employer or of any taxpayer or person subject to, or whom the Administrator believes is subject to the provisions of this ordinance, for the purpose of verifying the accuracy of any return made, or, if no return was made, to ascertain the tax due under this ordinance. Every such employer, supposed employer, taxpayer or supposed taxpayer, is hereby directed and required to furnish upon written request by the Administrator, or his duly authorized agent or employee, the means, facilities, and opportunity for making such examinations and investigations as are hereby authorized.

B. The Administrator is hereby authorized to order any person presumed to have knowledge of the facts to appear before him and may examine such person, under oath, concerning any income which was or should have been returned for taxation or any transaction tending to affect such income, and for this purpose may compel the production of books, papers, records and federal income tax returns and the attendance of all persons before him, whether as parties or witnesses, whenever he believes such persons have knowledge of such income or information pertinent to such inquiry.

C. The refusal to produce books, papers, records and federal income tax returns, or the refusal to submit to such examination by any employer or person subject or presumed to be subject to the tax or by any officer, agent or employee of a person subject to the tax required to withhold tax or the failure of any person to comply with the provisions of this Section or with an order or subpoena of the Administrator authorized hereby shall be deemed a violation of this ordinance, punishable as provided in Section 12 hereof.

D. Any information gained as the result of any returns, investigations, hearings or verifications required or authorized by this ordinance shall be confidential, except for official purposes, or except in accordance with the proper judicial order. Any person divulging such information in violation of this ordinance, shall, upon conviction thereof, be deemed guilty of a misdemeanor and shall be subject to a fine or penalty of not more than Five Hundred Dollars (\$500.00) or imprisoned for not more than six (6) months, or both. Each disclosure shall constitute a separate offense.

In addition to the above penalty, any employee of the Village of Grand Rapids who violates the provisions of this Section relative to the disclosure of confidential information shall be guilty of an offense punishable by immediate dismissal.

E. Every taxpayer shall retain all records necessary to compute his tax liability for a period of five (5) years from the date his return is filed, or the withholding taxes are paid.

SECTION 10. INTEREST AND PENALTIES.

A. All taxes imposed and all monies withheld or required to be withheld by employers under the provisions of this ordinance and remaining unpaid after they become due shall bear interest at the rate of one (1%) per month or fraction thereof.

B. In addition to interest as provided in paragraph A hereof, penalties based on the unpaid tax are hereby imposed as follows:

1. For failure to pay taxes due - other than taxes withheld; one percent (1 %) per month or fraction thereof.

2. For failure to remit taxes withheld from employees; three per cent (3%) per month or fraction thereof.

C. In addition to other penalties as may be set forth in this ordinance, there is hereby imposed a charge of \$25.00 for filing the return or returns required by this ordinance later than the deadline as set forth herein. (Amended 4/13/88 Ord 98-2).

C. Upon recommendation of the Administrator, the Board of Review may abate penalty or interest, or both, or upon an appeal from the refusal of the nevertheless abate penalty or interest, or both. (Amended 11/28/88 Ord 88-18).

SECTION 11. COLLECTION OF UNPAID TAXES AND REFUNDS OF OVERPAYMENTS.

A. All taxes imposed by this ordinance shall be collectible, together with any interest and

penalties thereon, by suit, as other debts or like amount are recoverable. Except in the case of fraud, omission or a substantial portion of income subject to this tax, or failure to file a return, an additional assessment shall not be made after three (3) years from the time the return was due or filed whichever is later, provided, however, in those cases in which a Commissioner of Internal Revenue and the taxpayer have executed a waiver of the federal statute of limitations, the period within which an additional assessment may be made by the Administrator shall be one(1) year from the time of the final determination of the federal tax liability.

B. Taxes erroneously paid shall not be refunded unless a claim for refund is made within three (3) years from the date which such payment was made or the return was due, or within three (3) months after final determination of the federal tax liability, whichever is later.

C. Amounts of less than five dollars (\$5.00) shall not be collected or refunded. (Amended 11/28/88 Ord 88-18).

SECTION 12. VIOLATIONS - PENALTIES

A. Any person who shall:

1. Fail, neglect or refuse to make any return or declaration required by this ordinance; or
2. Make any incomplete, false or fraudulent return; or
3. Fail, neglect or refuse to pay the tax, penalties or interest imposed by this ordinance; or
4. Fail, neglect or refuse to withhold the tax from his employee or remit such withholding to the Administrator; or
5. Refuse to permit the Administrator; or any duly authorized agent or employee to examine his books, records, papers and federal income tax returns relating to the income or net profits to a taxpayer; or
6. Fail to appear before the Administrator and to produce his books, records, papers or federal income tax returns relating to the income or net profits of a taxpayer upon order or subpoena of the Administrator; or
7. Refuse to disclose to the Administrator any information with respect to the income or net profits of a taxpayer; or
8. Fail to comply with the provisions of this ordinance or any order or subpoena co the

Administrator authorized hereby; or

9. Give to an employer false information as to his true name, correct social security number and residence addresses, total wages paid and the Village of Grand Rapids tax withheld, or to knowingly give the Administrator false information; or

10. Fail to use ordinary diligence in maintaining proper records of employees' residence addresses, total wages paid and the Village of Grand Rapids tax withheld, or to knowingly give the Administrator false information; or

11. Attempt to do anything whatever to avoid the payment of the whole or any part of the tax, penalties or interest imposed by this ordinance;

Shall be guilty of a misdemeanor and shall be fined not more than Five hundred Dollars (\$500.00) or imprisoned not more than six (6) months or both, for each offense.

B. All prosecutions under this Section must be commenced within five (5) years from the time of the offense complained of.

C. The failure of any employer or person to receive or procure a return, declaration or other required form shall not exclude him from making any information return, return or declaration, from filing such form, or from paying the tax.

SECTION 13. BOARD OF REVIEW.

A. A Board of Review consisting of the Village Solicitor as chairman, the Chairman of the Finance Committee as secretary, and one other member of the Village Council to be selected by the Solicitor and the Chairman of the Finance Committee is hereby created. A majority of the members of the Board shall constitute a quorum. A Board shall adopt its own procedural rules and shall keep a record of its transactions. Any hearing by the Board may be conducted privately and the of provisions of Section 9 hereof with reference to the confidential character of

information required to be disclosed by the ordinance shall apply to such matters as may be heard before the Board of Appeal.

B. All rules and regulations and amendments or changes thereto, which are adopted by the Administrator under the authority conferred by this ordinance, must be approved by the Board of Review before the same become effective. The Board shall hear and pass on appeals from any ruling or decision of the Administrator and, at the request of the taxpayer or Administrator, is empowered to substitute alternate methods of allocation.

B. Any person dissatisfied with any ruling or decision of the Administrator which is made

under the authority conferred by this ordinance may appeal there from to the Board of Review within thirty (30) days from the announcement of such ruling or decision by the Administrator, and the Board shall, on hearing, have jurisdiction to affirm, reverse or modify any such ruling or decision, or any part hereof.

SECTION 14 - ALLOCATION OF FUNDS.

A. The funds collected under the provisions of this Ordinance shall be applied for the following purposes, to-wit:

1. Such part thereof as shall be necessary to defray all costs of collecting the taxes levied by this ordinance and the cost of administering and enforcing the provisions thereof.

2. The balance of the funds collected each year under the provisions of this ordinance shall be paid into special funds, which are Hereby established, for the following purposes;

(a) 50% shall be transferred and deposited into the General Fund.

(b) 50% shall be transferred and deposited into a fund for sewer capital improvements and bond retirement.

B. Council shall, by Ordinance, appropriate the above monies after transfer into the specified funds and allocate such monies in accordance with the needs of the Village of Grand Rapids. Council may, if and when necessary, appropriate monies from any or all of such special funds for poor relief, public disaster or civil emergency; but in no event shall such appropriation exceed the actual need for such funds.

SECTION 15. RELIEF AND RECIPROCITY PROVISIONS.

It is the intent of this Section that a taxpayer, subject to tax in more than one municipality on the same income, who has complied with the provisions hereof shall not be required by this ordinance to pay a total municipal income tax on such income greater than the tax imposed at the higher rate.

Accordingly, notwithstanding any other provisions of this ordinance,

A. Residents of the Village of Grand Rapids.

1. When a resident of Grand Rapids is subject to and has paid or has acknowledged liability for, a municipal income tax in another municipality on the same income taxable under this ordinance and such other municipality does not allow a credit to its non-residents, such Grand Rapids resident may claim a credit of the amount of such tax paid to such other municipality, but not in excess of the tax assessed by this ordinance.

2. (a) When a resident of Grand Rapids is subject to and has paid, or has acknowledged liability for, a municipal income tax in another municipality on the same income taxable under this ordinance, and such other municipality allows a credit of its non-residents on the same basis as provided in paragraph B-1 of this Section, a credit shall be allowed against Grand Rapids income tax of fifty percent (50%) of the tax due hereunder or fifty percent 50% of the tax due under the ordinance of such other municipality, whichever is the lesser;

(b) If the tax due such other municipality has been paid to or withheld in such other municipality, a resident of Grand Rapids may claim credit for and assign to the Village of Grand Rapids any claim for refund to which he may be entitled from such other municipality. In the event any amount is not received by the Village of Grand Rapids equal to such credit claimed by reason the claimed credit exceeds the amount recovered on such assignment by the Village of Grand Rapids, together with penalty and interest. If satisfactory evidence is offered, however, that the taxpayer is entitled to the claim covered by the assignment, such taxpayer shall not be deprived of credit therefore because of fault or neglect on the part of either municipality.

(c) Assignment of any claim for refund to which a Grand Rapids resident may be entitled from another municipality shall be tentatively accepted as payment of that portion of Grand Rapids income tax represented by such assignment; provided, however, should an overpayment result from credit allowed by reason of such assignment, no refund thereof shall be made until such assignment has been accepted for payment by such other municipality.

B. Non-residents of the Village of Grand Rapids.

Notwithstanding any other provisions of this ordinance, when a taxpayer who is a non-resident of Grand Rapids, but who is domiciled in Wood County or in any county immediately contiguous to Wood County, or to any other state except the State of Ohio, is subject to the tax imposed by this ordinance, and is also subject to tax on the same income in the municipality or state of his residence; commencing the first day of January 1972, a credit of 37 ½% of the tax due not to exceed a 1% gross income tax as computed under the ordinance of such other municipality or state, except the State of Ohio, shall be allowed against the tax due under this ordinance; that commencing the first day of January 1973, a credit of 25% of the tax due not to exceed 1% gross income tax under this ordinance, as computed under the ordinance of such other municipality or state, except the State of Ohio, shall be allowed against the tax due under this ordinance; commencing the first day of January, 1974, a credit of 12 ½% of the tax due not to exceed 1% gross income tax as computed under the ordinance of such other municipality or state, except the State of Ohio, shall be allowed against the tax due under this ordinance, provided, however, that such credit shall not be allowed unless such other municipality

imposes on its residents a tax on the same income and an identical reciprocal credit provision is made in the ordinance of such other municipality or state granting to non-residents thereof a credit of not less than the percentage provided for herein against the tax levied thereby and provided further that such identical reciprocal credit shall not be allowed unless such non-resident is liable and has acknowledged such liability in the municipality of his residence for any tax due after such identical reciprocal credit is allowed, and the municipality of his residence furnishes evidence of payment of tax therein or evidence of assignment by the tax payer of his claim for reciprocal credit to such other municipality.

The credit allowed under this section to a tax-payer who is a non-resident of Grand Rapids, but who is domiciled in Wood County, or any county or state immediately contiguous to Wood County, except the State of Ohio, may be assigned to the municipality of his residence and the amount of such credit paid to such other municipality in such manner as the Commissioner of Taxation of the Village of Grand Rapids may prescribe. (Ord 76-3, Dated 2/26/1976)

C. The credits provided for in paragraphs A and B of this section will not be allowed unless the same are claimed in a timely return or form acceptable to, and filed with the Administrator. In the event a taxpayer fails, neglects or refuses to file such timely return or form he shall not be entitled to such credit and shall be liable for the full amount of tax unassessed by this ordinance, together with such interest and penalties, both civil and criminal, as are prescribed in the ordinance.

D. Any claim for credit for income taxes paid another municipality on the same income taxable hereunder, or claim for or assignment of any refund due to the credit provided herein, must be filed with the Administrator of the Village of Grand Rapids on or before December 31st of the year following that for which such credit is claimed. Provided, however, in the event such claim for reciprocity refund shall have been assigned to the municipality of residence, such municipality of residence must file a claim for refund with the Administrator of the Village on or before January 31 next following such December 31. Failure to file such claim for reciprocity credit or refund, or assignment thereof, within the times prescribed herein shall render such credit, claim for refund or assignment null and void.

SECTION 16 - SAVINGS CLAUSE.

If any sentence, clause, section or part of this chapter, or any tax against any individual or any of the several groups specified herein, is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall affect only such clause, sentence, section or part of this chapter and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or other parts of this chapter. It is hereby declared to be the intention of Council that this chapter would have been adopted had

such unconstitutional, illegal, or invalid sentence, clause, section or part thereof not been included herein.

SECTION 17 - EMERGENCY CLAUSE.

This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety and it shall go into effect forthwith. The reason for the said emergency is the immediate necessity of levying the tax provided for herein in order to obtain revenue for the operation of the Village of Grand Rapids government beginning January 1, 1971, and thereafter.

Passed: 11/27/1970

Orval Meach, President of Council

Attest: Carl Laskey, Clerk

Approved: 11/27/1970

Harry Jeffers, Mayor

C. Richard Marsh, Village Solicitor