

AN ACT

To amend sections 718.01, 718.02, 718.05, and 733.85; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 718.03 (718.16), 718.05 (718.041), 718.06 (718.12), 718.07 (718.13), and 718.08 (718.15); and to enact new sections 718.03, 718.05, 718.06, 718.07, and 718.08 and sections 718.11, 718.14, and 5703.49 of the Revised Code to modify the authority of municipal corporations to impose income taxes.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 718.01, 718.02, 718.05, and 733.85 be amended, sections 718.03 (718.16), 718.05 (718.041), 718.06 (718.12), 718.07 (718.13), and 718.08 (718.15) be amended for the purpose of adopting new section numbers as indicated in parentheses, and new sections 718.03, 718.05, 718.06, 718.07, and 718.08 and sections 718.11, 718.14, and 5703.49 of the Revised Code be enacted to read as follows:

Sec. 718.01. (A) As used in this chapter:

(1) "Internal Revenue Code" means the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended.

(2) "Schedule C" means internal revenue service schedule C filed by a taxpayer pursuant to the Internal Revenue Code.

(3) "Form 2106" means internal revenue service form 2106 filed by a taxpayer pursuant to the Internal Revenue Code.

(4) "Intangible income" means income of any of the following types: income yield, interest, dividends, or other income arising from the ownership, sale, exchange, or other disposition of intangible property including, but not limited to, investments, deposits, money, or credits as those terms are defined in Chapter 5701. of the Revised Code.

(B) No municipal corporation with respect to that income that it may tax shall tax such income at other than a uniform rate.

(C) No municipal corporation shall levy a tax on income at a rate in

excess of one per cent without having obtained the approval of the excess by a majority of the electors of the municipality voting on the question at a general, primary, or special election. The legislative authority of the municipal corporation shall file with the board of elections at least seventy-five days before the day of the election a copy of the ordinance together with a resolution specifying the date the election is to be held and directing the board of elections to conduct the election. The ballot shall be in the following form: "Shall the Ordinance providing for a ... per cent levy on income for (Brief description of the purpose of the proposed levy) be passed?

FOR THE INCOME TAX

AGAINST THE INCOME TAX"

In the event of an affirmative vote, the proceeds of the levy may be used only for the specified purpose.

(D)(1) Except as otherwise provided in division (D)(2) of this section, no municipal corporation shall exempt from a tax on income, compensation for personal services of individuals over eighteen years of age or the net profit from a business or profession.

(2) The legislative authority of a municipal corporation may, by ordinance or resolution, exempt from a tax on income any compensation arising from the grant, sale, exchange, or other disposition of a stock option; the exercise of a stock option; or the sale, exchange, or other disposition of stock purchased under a stock option.

(E) Nothing in this section shall prevent a municipal corporation from permitting lawful deductions as prescribed by ordinance. If a taxpayer's taxable income includes income against which the taxpayer has taken a deduction for federal income tax purposes as reportable on the taxpayer's form 2106, and against which a like deduction has not been allowed by the municipal corporation, the municipal corporation shall deduct from the taxpayer's taxable income an amount equal to the deduction shown on such form allowable against such income, to the extent not otherwise so allowed as a deduction by the municipal corporation. In the case of a taxpayer who has a net profit from a business or profession that is operated as a sole proprietorship, no municipal corporation may tax or use as the base for determining the amount of the net profit that shall be considered as having a taxable situs in the municipal corporation, a greater amount than the net profit reported by the taxpayer on schedule C filed in reference to the year in question as taxable income from such sole proprietorship, except as otherwise specifically provided by ordinance or regulation.

(F) No municipal corporation shall tax any of the following:

(1) The military pay or allowances of members of the armed forces of the United States and of members of their reserve components, including the Ohio national guard;

(2) The income of religious, fraternal, charitable, scientific, literary, or educational institutions to the extent that such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property, or tax-exempt activities;

(3) Except as otherwise provided in division (G) of this section, intangible income;

(4) Compensation paid under section 3501.28 or 3501.36 of the Revised Code to a person serving as a precinct election official, to the extent that such compensation does not exceed one thousand dollars annually. Such compensation in excess of one thousand dollars may be subjected to taxation by a municipal corporation. A municipal corporation shall not require the payer of such compensation to withhold any tax from that compensation.

(5) Compensation paid to an employee of a transit authority, regional transit authority, or regional transit commission created under Chapter 306. of the Revised Code for operating a transit bus or other motor vehicle for the authority or commission in or through the municipal corporation, unless the bus or vehicle is operated on a regularly scheduled route, the operator is subject to such a tax by reason of residence or domicile in the municipal corporation, or the headquarters of the authority or commission is located within the municipal corporation-;

(6) The income of a public utility when that public utility is subject to the tax levied under section 5727.24 or 5727.30 of the Revised Code, except starting January 1, 2002, the income of an electric company or combined company, as defined in section 5727.01 of the Revised Code, may be taxed by a municipal corporation. For a combined company, only the income attributed from the activity of an electric company shall be subject to taxation by a municipal corporation. The income of an electric company or combined company subject to taxation by a municipal corporation shall be computed by taking into account the adjustments provided by division (I)(16) of section 5733.04 of the Revised Code.

(7) On and after January 1, 2003, items excluded from federal gross income pursuant to section 107 of the Internal Revenue Code;

(8) On and after January 1, 2001, compensation paid to an individual for personal services performed within the municipal corporation, if the individual does not reside in the municipal corporation, performs such personal services in the municipal corporation on twelve or fewer days in the calendar year, and, if the individual is an employee, the principal place

of business of the individual's employer is located outside the municipal corporation. Division (F)(8) of this section does not apply to professional entertainers or professional athletes or to promoters of professional entertainment or sports events and their employees, as reasonably defined by the municipal corporation.

(G) Any municipal corporation that taxes any type of intangible income on March 29, 1988, pursuant to Section 3 of Amended Substitute Senate Bill No. 238 of the 116th general assembly, may continue to tax that type of income after 1988 if a majority of the electors of the municipal corporation voting on the question of whether to permit the taxation of that type of intangible income after 1988 vote in favor thereof at an election held on November 8, 1988.

(H) Nothing in this section or section 718.02 of the Revised Code shall authorize the levy of any tax on income that a municipal corporation is not authorized to levy under existing laws or shall require a municipal corporation to allow a deduction from taxable income for losses incurred from a sole proprietorship or partnership.

Sec. 718.02. (A) In the taxation of income ~~which~~ that is subject to municipal income taxes, if the books and records of a taxpayer conducting a business or profession both within and without the boundaries of a municipal corporation ~~shall~~ disclose with reasonable accuracy what portion of its net profit is attributable to that part of the business or profession conducted within the boundaries of the municipal corporation, then only such portion shall be considered as having a taxable situs in such municipal corporation for purposes of municipal income taxation. In the absence of such records, net profit from a business or profession conducted both within and without the boundaries of a municipal corporation shall be considered as having a taxable situs in such municipal corporation for purposes of municipal income taxation in the same proportion as the average ratio of:

(1) The average net book value of the real and tangible personal property owned or used by the taxpayer in the business or profession in such municipal corporation during the taxable period to the average net book value of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated.

As used in the preceding paragraph, real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight;

(2) Wages, salaries, and other compensation paid during the taxable period to persons employed in the business or profession for services

performed in such municipal corporation to wages, salaries, and other compensation paid during the same period to persons employed in the business or profession, wherever their services are performed, excluding compensation described in division (F)(8) of section 718.01 of the Revised Code;

(3) Gross receipts of the business or profession from sales made and services performed during the taxable period in such municipal corporation to gross receipts of the business or profession during the same period from sales and services, wherever made or performed.

~~In the event that~~ If the foregoing allocation formula does not produce an equitable result, another basis may, ~~under uniform regulations~~ be substituted, under uniform regulations, so as to produce ~~such an equitable~~ result.

(B) As used in division (A) of this section, "sales made in a municipal corporation" mean:

(1) All sales of tangible personal property ~~which is~~ delivered within such municipal corporation regardless of where title passes if shipped or delivered from a stock of goods within such municipal corporation;

(2) All sales of tangible personal property ~~which is~~ delivered within such municipal corporation regardless of where title passes even though transported from a point outside such municipal corporation if the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within such municipal corporation and the sales result from such solicitation or promotion;

(3) All sales of tangible personal property ~~which is~~ shipped from a place within such municipal corporation to purchasers outside such municipal corporation regardless of where title passes if the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.

Sec. 718.03. As used in this section, "Other payer" means any person that pays an individual any item included in the taxable income of the individual, other than the individual's employer or that employer's agent.

(A) Beginning January 1, 2001, a municipal CORPORATION shall not require any nonresident employer, agent of such an employer, or other payer that is not situated in the municipal corporation 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 municipal corporation on account of all of the employer's employees or all of the other payer's payees exceeds one hundred fifty dollars for a calendar year beginning on or after that date.

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 for a calendar year beginning on or after January 1, 2001, the municipal corporation may require the employer, agent, or other payer to 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 or less, except as otherwise provided in division (B) of this section.

(B) If a nonresident employer, agent of such an employer, or other payer that is not situated in the municipal corporation is required to deduct and withhold taxes for an ensuing year under division (A) of this section, and the total amount of tax required to be deducted and withheld under that division in each of three consecutive ensuing years is one hundred fifty dollars or less, the municipal corporation shall not require the employer, agent, or other payer to deduct and withhold taxes in any year following the last of those consecutive years unless the amount required to be deducted and withheld in any such following year exceeds one hundred fifty dollars.

Sec. 718.05 718.041. As of November 19, 1965, the jurisdiction of the courts of Ohio to hear and determine actions for the recovery of taxes on income ~~which~~ that is exempt under section 718.04 of the Revised Code shall terminate.

Sec. 718.05. (A) As used in this section:

(1) "Generic form" means an electronic or paper form designed for reporting estimated municipal income taxes and annual municipal income tax liability that is not prescribed by a particular municipal corporation for the reporting of that municipal corporation's tax on income.

(2) "Return preparer" means any person other than a taxpayer that is authorized by a taxpayer to complete or file an income tax return, report, or other document for or on behalf of the taxpayer.

(B) A municipal corporation shall not require a taxpayer to file an annual income tax return or report prior to the filing date for the corresponding tax reporting period as prescribed for such a taxpayer under the Internal Revenue Code.

(C) On and after January 1, 2001, any municipal corporation that requires taxpayers to file income tax returns, reports, or other documents shall accept for filing a generic form of such a return, report, or document if the generic form, once completed and filed, contains all of the information required to be submitted with the municipal corporation's prescribed returns, reports, or documents, and if the taxpayer or return preparer filing the generic form otherwise complies with rules or ordinances of the municipal

corporation governing the filing of returns, reports, or documents.

(D) Beginning January 1, 2001, any taxpayer that has requested an extension for filing a federal income tax return may request an extension for the filing of a municipal income tax return. The taxpayer shall make the request by filing a copy of the taxpayer's request for a federal filing extension with the individual or office charged with the administration of the municipal income tax. The request for extension shall be filed not later than the last day for filing the municipal income tax return as prescribed by ordinance or rule of the municipal corporation. A municipal CORPORATION shall grant such a request for extension for a period not less than the period of the federal extension request. A municipal CORPORATION may deny a taxpayer's request for extension only if the taxpayer fails to timely file the request, fails to file a copy of the request for the federal extension, owes the municipal CORPORATION any delinquent income tax or any penalty, interest, assessment, or other charge for the late payment or nonpayment of income tax, or has failed to file any required income tax return, report, or other related document for a prior tax period. The granting of an extension for filing a municipal CORPORATION income tax return does not extend the last date for paying the tax without penalty unless the municipal corporation grants an extension of that date.

Sec. 718.06. On and after January 1, 2003, any municipal corporation that imposes a tax on the income or net profits of corporations shall accept for filing a consolidated income tax return from any affiliated group of corporations subject to the municipal corporation's tax if that affiliated group filed for the same tax reporting period a consolidated return for federal income tax purposes pursuant to section 1501 of the Internal Revenue Code.

Sec. 718.07. As used in this section, "internet" means the international computer network of both federal and nonfederal interoperable packet switched data networks, including the graphical subnetwork known as the world wide web.

On and after January 1, 2002, each municipal corporation that imposes a tax on income shall make electronic versions of any rules or ordinances governing the tax available to the public through the internet, including, but not limited to, ordinances or rules governing the rate of tax; payment and withholding of taxes; filing any prescribed returns, reports, or other documents; dates for filing or paying taxes, including estimated taxes; penalties, interest, ASSESSMENT, and other collection remedies; rights of taxpayers to appeal; and procedures for filing appeals. On and after that date, any municipal CORPORATION that requires taxpayers to file income

tax returns, reports, or other DOCUMENTS shall make BLANKS of such returns, reports, or DOCUMENTS, and any instructions pertaining thereto, available to the public electronically through the internet. Electronic versions of rules, ordinances, blanks, and instructions shall be made available either by posting them on the electronic site established by the tax commissioner under section 5703.49 of the Revised Code or by posting them on an electronic site established by the municipal corporation that is accessible through the internet. if a municipal CORPORATION establishes such an electronic site, the municipal CORPORATION shall incorporate an electronic link between that site and the site established pursuant to section 5703.49 of the Revised Code, and shall provide to the tax commissioner the uniform resource locator of the site established pursuant to this division.

Sec. 718.08. (A) As used in this section:

(1) "Estimated tax liability" means the amount that a taxpayer estimates to be the taxpayer's liability for a municipal corporation's income tax for a year prior to applying any credits, estimated tax PAYMENTS, or withheld taxes for the year.

(2) "Fiscal year taxpayer" means a taxpayer that reports municipal income tax on the basis of a twelve-month period that does not coincide with the calendar year.

(B) Beginning January 1, 2003, a municipal corporation that requires taxpayers who are individuals to remit payment of estimated taxes may require such taxpayers to remit such payments only as prescribed by divisions (B)(1) to (4) of this section, subject to divisions (C) and (E)(1) and (2) of this section:

(1) Not more than twenty-two and one-half per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the thirtieth day of April or the day on which the annual tax return for the prior year is required to be filed disregarding any extension, as prescribed by ordinance or rule of the municipal corporation;

(2) Not more than forty-five per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the thirty-first day of July;

(3) Not more than sixty-seven and one-half per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the thirty-first day of October;

(4) Not more than ninety per cent of the TAXPAYER'S estimated tax liability for the previous year shall be required to have been remitted on or before the thirty-first day of January.

(C) Any amount deducted and withheld for taxes from the compensation

of an individual shall be considered as estimated taxes paid in equal amounts on each of the payment dates prescribed by division (B) of this section.

(D) Beginning January 1, 2003, a municipal corporation requiring TAXPAYERS THAT ARE NOT INDIVIDUALS TO REMIT PAYMENTS OF ESTIMATED TAXES MAY REQUIRE SUCH taxpayers TO REMIT SUCH PAYMENTS ONLY AS PRESCRIBED BY DIVISIONS (D)(1) TO (4) OF THIS SECTION, SUBJECT TO DIVISION (E)(2) of this section:

(1) not more than twenty-two and one-half per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the day on which the annual tax return for the prior year is required to be filed disregarding any extension or, in the case of a fiscal year taxpayer, the fifteenth day of the fourth month of the taxpayer's taxable year;

(2) Not more than forty-five per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the fifteenth day of June or, in the case of a fiscal year taxpayer, the fifteenth day of the sixth month of the taxpayer's taxable year;

(3) Not more than sixty-seven and one-half per cent of the taxpayer's estimated tax liability for the current year shall be required to have been remitted on or before the fifteenth day of September or, in the case of a fiscal year taxpayer, the fifteenth day of the ninth month of the taxpayer's taxable year;

(4) Not more than ninety per cent of the TAXPAYER'S estimated tax liability for the current year shall be required to have been remitted on or before the fifteenth day of december or, in the case of a fiscal year taxpayer, the fifteenth day of the twelfth month of the taxpayer's taxable year.

(E) A municipal corporation shall not IMPOSE any penalty, interest, interest penalty, or other similar assessment or charge against a taxpayer for the late payment or nonpayment of estimated tax liability in either of the following circumstances:

(1) The taxpayer is an individual who resides in the municipal corporation but was not domiciled there on the first day of January of the current calendar year;

(2) The taxpayer has remitted, pursuant to division (B) or (D) of this section, an amount at least equal to one hundred per cent OF THE TAXPAYER'S TAX LIABILITY FOR THE PRECEDING YEAR AS SHOWN ON THE RETURN filed by the taxpayer FOR THE PRECEDING YEAR, provided that the return for the preceding year reflected a twelve-month period and the taxpayer filed a return for the preceding year.

Sec. 718.11. As used in this section, "tax administrator" means the individual charged with direct responsibility for administration of a tax levied by a municipal corporation on income.

Not later than one hundred eighty days after the effective date of this section, the legislative authority of each municipal corporation that imposes a tax on income on that effective date shall establish by ordinance a board to hear appeals as provided in this section. the legislative authority of any municipal corporation that does not impose a tax on income on the effective date of this section but that imposes such a tax after that date shall establish such a board by ordinance not later than one hundred eighty days after the tax takes effect.

Whenever a tax administrator issues a decision regarding a municipal income tax obligation that is subject to appeal as provided in this section or in an ordinance or regulation of the municipal corporation, the tax administrator shall notify the taxpayer at the same time of the taxpayer's right to appeal the decision and of the manner in which the taxpayer may appeal the decision.

Any person who is aggrieved by a decision by the tax administrator and who has filed with the municipal corporation the required returns or other documents pertaining to the municipal income tax obligation at issue in the decision may appeal the decision to the board created pursuant to this section by filing a request with the board. The request shall be in writing, shall state why the decision should be deemed incorrect or unlawful, and shall be filed within thirty days after the tax administrator issues the decision complained of.

The board shall schedule a hearing within forty-five days after receiving the request, unless the taxpayer waives a hearing. If the taxpayer does not waive the hearing, the taxpayer may appear before the board and may be represented by an attorney at law, certified public accountant, or other representative.

The board may affirm, reverse, or modify the tax administrator's decision or any part of that decision. the board shall issue a decision on the appeal within ninety days after the board's final hearing on the appeal, and send notice of its decision by ordinary mail to the petitioner within fifteen days after issuing the decision.

Each board of appeal created pursuant to this section shall adopt rules governing its procedures and shall keep a record of its transactions. Such records are not public records available for inspection under section 149.43 of the Revised Code. Hearings requested by a taxpayer before a board of appeal created pursuant to this section are not meetings of a public body

subject to section 121.22 of the Revised Code.

Sec. ~~718.06~~ 718.12. (A) Civil actions to recover municipal income taxes and penalties and interest on municipal income taxes shall be brought within three years after the tax was due or the return was filed, whichever is later.

(B) Prosecutions for an offense made punishable under a municipal ordinance imposing an income tax shall be commenced within three years after the commission of the offense, provided that in the case of fraud, failure to file a return, or the omission of twenty-five per cent or more of income required to be reported, prosecutions may be commenced within six years after the commission of the offense.

(C) Claims for refund of municipal income taxes must be brought within the time limitation provided in division (A) of this section.

(D) Interest shall be allowed and paid on any overpayment by a taxpayer of any municipal income tax obligation from the date of the overpayment until the date of the refund of the overpayment, except that if any overpayment is refunded within ninety days after the final filing date of the annual return or ninety days after the complete return is filed, whichever is later, no interest shall be allowed on the refunded overpayment. For purposes of computing the payment of interest on overpayments, no amount of tax for any taxable year shall be treated as having been paid before the date on which the tax return for that year was due without regard to any extension of time for filing that return. The interest shall be paid at the rate of interest prescribed by section 5703.47 of the Revised Code.

Sec. ~~718.07~~ 718.13. Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by this chapter or by a charter or ordinance of a municipal corporation levying an income tax pursuant to this chapter is confidential, and no person shall disclose such information except in accordance with a proper judicial order or in connection with the performance of that person's official duties or the official business of the municipal corporation as authorized by this chapter or the charter or ordinance authorizing the levy. The tax administrator of the municipal corporation may furnish copies of returns filed under this chapter to the internal revenue service and to the tax commissioner.

Sec. 718.14. (A) As used in this section:

(1) "S corporation" means a corporation that has made an election under subchapter S of Chapter 1 of Subtitle A of the Internal Revenue Code for its taxable year.

(2) "Limited liability company" means a limited liability company formed under Chapter 1705. of the Revised Code or under the laws of another state.

(3) "Pass-through entity" means a partnership, S corporation, limited liability company, or any other class of entity the income or profits from which are given pass-through treatment under the Internal Revenue Code.

(4) "Income from a pass-through entity" means partnership income of partners, distributive shares of shareholders of an s corporation, membership interests of members of a limited liability company, or other distributive or proportionate ownership shares of other pass-through entities.

(5) "Owner" means a partner of a partnership, a shareholder of an S corporation, a member of a limited liability company, or other person with an ownership interest in a pass-through entity.

(B) On and after January 1, 2003, any municipal corporation that imposes a tax that applies to income from a pass-through entity shall grant a credit to taxpayers that are domiciled in the municipal corporation for taxes paid to another municipal corporation by a pass-through entity that does not conduct business in the municipal corporation. The amount of the credit shall equal the lesser of the following amounts, subject to division (C) of this section:

(1) The amount, if any, of tax paid by the pass-through entity to another municipal corporation in this state, apportioned ratably according to the ownership interest of the taxpayer in proportion to the ownership interest of all owners of the entity;

(2) The amount of tax that would be imposed on the pass-through entity by the municipal corporation in which the taxpayer is domiciled if the pass-through entity conducted business in the municipal corporation, apportioned ratably according to the ownership interest of the taxpayer in proportion to the ownership interest of all owners of the entity.

(C) If a municipal corporation grants a credit for a percentage, less than one hundred per cent, of the amount of income taxes paid on compensation by an individual who resides or is domiciled in the municipal corporation to another municipal corporation, the amount of credit otherwise required by division (B) of this section shall be multiplied by that percentage.

(D) On and after January 1, 2003, any municipal CORPORATION that imposes a tax on income of or from a pass-through entity shall specify by ordinance or rule whether the tax applies to income of the pass-through entity in the hands of the entity or to income from the pass-through entity in the hands of the owners of the entity. a municipal corporation may specify a different ordinance or rule under this division for each of the classes of pass-through entity enumerated in division (a)(3) of this section.

~~Sec. 718.08~~ 718.15. A municipal corporation, by ordinance, may grant a refundable or nonrefundable credit against its tax on income to a taxpayer

that also receives a tax credit under section 122.17 of the Revised Code. If a credit is granted under this section, it shall be measured as a percentage of the new income tax revenue the municipal corporation derives from new employees of the taxpayer and shall be for a term not exceeding ten years. Before the municipal corporation passes an ordinance granting a credit, the municipal corporation and the taxpayer shall enter into an agreement specifying all the conditions of the credit.

Sec. ~~718.03~~ 718.16. A municipal corporation shall grant a credit against its tax on income to a resident of the municipal corporation who works in a joint economic development zone created under section 715.691 or a joint economic development district created under section 715.70, 715.71, or 715.72 of the Revised Code to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation.

Sec. 733.85. (A) As used in this section, "municipal corporation" means any municipal corporation, including a municipal corporation organized under Chapter 705. of the Revised Code, that is not operating under a charter adopted or amended pursuant to Section 7 or 9 of Article XVIII, Ohio Constitution.

(B) The legislative authority of a municipal corporation may provide, by ordinance or resolution, for the method of appointing and removing an officer who shall be responsible for the collection and deposit to the municipal treasury of municipal income taxes and the enforcement and administration of the municipal corporation's income tax ordinances, resolutions, and rules, including the powers, duties, and functions of the responsible administering officer and employees serving under ~~his~~ the administering officer's direction and control. If no such ordinance or resolution is adopted, the city auditor or village clerk shall be the officer responsible for the collection and deposit to the municipal treasury of income taxes and the enforcement and administration of the municipal corporation's income tax ordinances, resolutions, and rules.

(C) The legislative authority of a municipal corporation may, by ordinance or resolution, authorize the responsible administering officer described in division (B) of this section to promulgate, revise, and repeal rules with respect to the administration and enforcement of the municipal corporation's income tax ordinances and resolutions. The rules shall be filed with the clerk of the legislative authority and made available for public inspection at the offices of the administering officer ~~and no other publication shall be required~~. The rules shall not conflict with the municipal corporation's ordinances and resolutions.

~~(D) The legislative authority of a municipal corporation may provide, by ordinance or resolution, for the establishment, composition, method of appointment and removal, term of office, if any, and powers, duties, functions, and procedures of an appeals board to hear appeals from decisions and rulings of municipal administrative officers, other than the director of law or other chief legal officer of the municipal corporation, with respect to municipal income taxes. The appeals board shall have jurisdiction with respect to appeals as provided by ordinance or resolution. Every final order, adjudication, or decision of the appeals board shall be subject to review pursuant to Chapter 2506. of the Revised Code.~~

~~(E) If authorized by ordinance or resolution, and notwithstanding any other provision of the Revised Code to the contrary, any elected or appointed administrative officer of the municipal corporation may be appointed as a member of the appeals board authorized by division (D) of this section or designated as the responsible administering officer described in division (B) of this section.~~

~~(F) This section shall apply to any municipal ordinance or resolution existing at the effective date of this section on September 14, 1981, or thereafter enacted or amended.~~

Sec. 5703.49. As used in this section, "internet" means the international computer network of both federal and nonfederal interoperable packet switched data networks, including the graphical subnetwork known as the world wide web.

On or before December 31, 2001, the tax commissioner shall establish an electronic site accessible through the internet. The tax commissioner shall provide access on the site for each municipal corporation that has not established its own electronic site to post documents or information required under section 718.07 of the Revised Code. The tax commissioner shall provide electronic links for each municipal corporation that establishes a site under that section and for which a uniform resource locator has been provided to the tax commissioner. the tax commissioner is not responsible for the accuracy of the posted information, and is not liable for any inaccurate or outdated information provided by a municipal corporation. The tax commissioner may adopt rules governing the format and means of submitting such documents or information and other matters necessary to implement this section. The tax commissioner may charge municipal corporations a fee to defray the cost of establishing and maintaining the electronic site established under this section.

SECTION 2. That existing sections 718.01, 718.02, 718.03, 718.05,

06, 718.07, 718.08, and 733.85 of the Revised Code are hereby repealed.

SECTION 3. The schedule of deadlines prescribed by section 718.11 of the Revised Code, as enacted by this act, does not apply to any appeal filed before the effective date of this act with a board of appeal existing on that date.

SECTION 4. Section 718.01 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. S.B. 3 and Am. Sub. H.B. 283 of the 123rd General Assembly, with the new language of neither of the acts shown in capital letters. This is in recognition of the principle stated in division (B) of section 1.52 of the Revised Code that such amendments are to be harmonized where not substantively irreconcilable and constitutes a legislative finding that such is the resulting version in effect prior to the effective date of this act.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____