

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

H. B. No. 591

Representative Rogers

A BILL

To suspend some employer municipal income tax 1
withholding requirements during the COVID-19 2
state of emergency and to declare an emergency. 3

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. (A) All terms used in this section have the 4
same meanings as in sections 718.01 and 718.011 of the Revised 5
Code. As used in this section, "qualifying disaster declaration" 6
means Executive Order 2020-01D, issued on March 9, 2020. 7

(B) (1) Subject to division (B) (2) of this section, an 8
employer is not required to withhold municipal income tax under 9
section 718.03 of the Revised Code on qualifying wages paid to 10
an employee for the performance of personal services in a 11
municipal corporation that imposes that tax on any day the 12
employee performs such services in the municipal corporation 13
beginning March 9, 2020, and ending the earlier of July 8, 2020, 14
or the day after the last day that a qualifying disaster 15
declaration period is in effect, provided the employee is 16
required or encouraged to perform personal services in that 17
municipal corporation because of the emergency declared in the 18
qualifying disaster declaration. 19

(2) If the principal place of work of an employee is 20
located in a municipal corporation that imposes a municipal 21
income tax, then the exception from withholding requirements 22
authorized in division (B) (1) of this section applies only if 23
the employer withholds and remits tax on such qualifying wages 24
to the municipal corporation in which the employee's principal 25
place of work is located. 26

(C) (1) Except as provided in division (C) (2) or (3) of 27
this section, qualifying wages described in division (B) (1) of 28
this section are exempt income to the extent the qualifying 29
wages are not subject to withholding for the municipal 30
corporation under that division. 31

(2) The exemption provided in division (C) (1) of this 32
section does not apply with respect to the municipal corporation 33
in which the employee resides at the time the employee earned 34
the qualifying wages. 35

(3) The exemption provided in division (C) (1) of this 36
section does not apply to qualifying wages if both of the 37
following conditions apply: 38

(a) The employee's employer withholds and remits tax on 39
the qualifying wages to the municipal corporation in which the 40
employee's principal place of work is situated. 41

(b) The employee receives a refund of the tax described in 42
division (C) (3) (a) of this section on the basis of the employee 43
not performing services in that municipal corporation. 44

(D) Compensation from which taxes are not required to be 45
withheld under division (B) (1) of this section shall be excluded 46
in calculating the amount described in division (A) (2) of 47
section 718.02 or division (A) (2) of section 718.82 of the 48

Revised Code. 49

Section 2. This act is hereby declared to be an emergency 50
measure necessary for the immediate preservation of the public 51
peace, health, and safety. The reason for such necessity is to 52
address urgent needs of the state arising from a COVID-19 53
outbreak. Therefore, this act shall go into immediate effect. 54