



City of Oakwood

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Income Tax

February 24, 2022

Ohio House Ways and Means Committee
Ohio House of Representatives
77 South High Street, 13th Floor
Columbus, Ohio 43215

Dear Chairman Merrin, Vice-Chair Riedel, Ranking Member Sobecki, and Members of the Committee:

Thank you for affording me the opportunity to write in opposition of HB 519.

I have been the City of Oakwood Income Tax Administrator for the last 16 years and a tax preparer for the 23 years prior.

HB 519 actually does a disservice to Ohio taxpayers by prohibiting municipal tax administrators from sending notices prior to the October extended filing due date. In the City of Oakwood, as soon as we determine that a new taxpayer has a filing requirement, we immediately send notification to the taxpayer regarding their responsibility to file a municipal return. Our notices mention the April 15th due date along with the extended October 15th due date. However, we still hear "I wish you would have told me sooner" from our taxpayers. Delaying our notification time period will cost Ohio taxpayers additional charges.

HB 519 does not distinguish between calendar year taxpayers and fiscal year-ended taxpayers. Municipalities do not have knowledge as to the year end of a new taxpayer, filing a net profit return. This will even further delay notification to taxpayers. A calendar year business filing a 2021 municipal return is extended to October 15, 2022. However, a fiscal year December 1, 2021 to November 30, 2022 business filing a 2021 municipal return is extended to September 15, 2023. Municipalities will have to delay all notices to file the 2021 municipal net profit return until after September 15, 2023 – almost an additional year later so as not to violate the proposed changes under HB 519.

HB 519 additionally severs the late filing penalty. Most municipalities in the State of Ohio have a mandatory filing requirement – requiring the filing of a municipal return, whether or not any tax is owed. The City of Oakwood grants a one-time waiver of the late filing penalty to taxpayers, which in turn encourages them to file future returns timely. Without a monetary penalty, habitual non-filers are placed on equal footing with taxpayers who follow the law.

Thank you for your time and attention.

Respectfully,

A handwritten signature in blue ink that reads "Linda Merker". The signature is fluid and cursive.

Linda Merker
Income Tax Administrator