

## ESTIMATED TAX INFORMATION SUMMARY FOR 2017

The State of Ohio, General Assembly enacted House Bill 5 in December 2014. This House Bill mandates that municipal income tax codes be amended by January 1, 2016 and that municipal income tax is "levied in accordance with the provisions and limitations specified in Chapter 718 of the Ohio Revised Code".

### How does House Bill 5 affect Estimated Taxes?

Sebring Codified Ordinance 32-2015  
Chapter 172 / Section 7

(B) (1)

"Every taxpayer shall make a declaration of estimated taxes for the current taxable year, on the form prescribed by the Tax Administrator, if the amount payable as estimated taxes is at least \$200.00."

(B) (3)

"The declaration of estimated taxes shall be filed on or before the date prescribed for the filing of municipal income tax returns under division (G) of Section 5 or on or before the fifteenth (15<sup>th</sup>) day of the fourth month after the taxpayer becomes subject to tax for the first time.

#### New - Payment Dates and Required Percentages of Payments.

(C) (1) (a)

"On or before the fifteenth (15<sup>th</sup>) day of the fourth month after the beginning of the taxable year, twenty-two and one-half (22.5) percent of the tax liability for the taxable year;

(C) (1) (b)

"On or before the fifteenth (15<sup>th</sup>) day of the sixth month after the beginning of the taxable year, forty-five (45) percent of the tax liability for the taxable year;

(C) (1) (c)

"On or before the fifteenth (15<sup>th</sup>) day of the ninth month after the beginning of the taxable year, sixty-seven and one-half (67.5) percent of the tax liability for the taxable year;

(C) (1) (d)

"On or before the fifteenth (15<sup>th</sup>) day of the twelfth month after the beginning of the taxable year, ninety (90) percent of the tax liability for the taxable year.

#### New - Penalty and Interest Imposed

(D) (1)

"In the case of any underpayment of any portion of a tax liability, penalty and interest may be imposed pursuant to Section 18 upon the amount of underpayment for the period of underpayment, unless the underpayment is due to reasonable cause as described in division (E) of this section.

**Interest – 6% per annum (2016 Federal short term rate)**

**Penalty – 15% of the amount not timely paid**

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Please consult with a licensed tax preparer if you have questions concerning your taxes.

The Municipality apologizes for the inconvenience these changes may cause while adhering to the requirements of House Bill 5 and the Ohio Revised Code, Chapter 718. Reference: [www.codes.ohio.gov/orc/718.08](http://www.codes.ohio.gov/orc/718.08)

The Municipality strongly opposed House Bill 5 with our passage of Resolution #17-13 dated 4/22/2013 and Resolution #45-13 dated 12/30/13.

Sebring Codified Ordinance #32-2015, in its entirety, is available for review at the Municipal building or online at [www.sebringohio.net](http://www.sebringohio.net)