



Joseph D. Heller

Final Analysis
Legislative Service Commission

Sub. H.B. 224

127th General Assembly
(As Passed by the General Assembly)

Reps. Schindel, J. McGregor, Evans, Setzer, Garrison, Huffman, Seitz, Adams, Fessler, Otterman, Zehringer, Miller, Jones, Bulp, Widener, Stebelton, Webster, Wagoner, Gibbs, Bolon, Chandler, Goyal, Latta, Patton, Bacon, Batchelder, Blessing, Coley, Collier, Combs, Core, DeBose, Domenick, Dyer, Flowers, J. Hagan, Harwood, Healy, Heard, Hughes, R. McGregor, Oelslager, Peterson, Schneider, Wolpert, Yates

Sens. Spada, Amstutz, Sawyer, Goodman, Cates, Harris, D. Miller, Niehaus, Seitz, Schaffer, Stivers

Effective date: March 24, 2008

ACT SUMMARY

- Prohibits municipal corporations from requiring a taxpayer to file the municipal income tax annual return earlier than the federal income tax filing date.
- Allows return preparers to use facsimile signatures on returns.
- Permits taxpayers to authorize return preparers to communicate directly with municipal income tax administrators.

CONTENT AND OPERATION

Municipal income tax return date

(R.C. 718.05(B))

Prior law specified that the due date for filing annual municipal income tax returns must be no date other than the 15th day of the fourth month following the end of a taxpayer's taxable year (e.g., April 15 in the case of a taxpayer whose taxable year coincides with the calendar year).

The act establishes a new return filing rule for all persons that are subject to a municipal corporation's income tax. Under the new rule, a municipal

corporation may not require a taxpayer to file the annual income tax return before the taxpayer's federal income tax return filing date. The act does not prohibit a municipal corporation from establishing a deadline later than the federal income tax return filing date.

Tax return preparer's signature

(R.C. 718.05(C)(2))

The act specifies that if a municipal corporation requires return preparers to sign an income tax return, report, or other document, the municipal corporation must accept the preparer's facsimile signature in lieu of the preparer's manual signature.

Communications regarding taxpayer's return

(R.C. 718.05(C)(3))

Prior law generally prohibited a municipal corporation from disclosing taxpayer information. (R.C. 718.13.) This prohibition apparently extends to communications with a person that prepares a taxpayer's return.

The act provides a means for a taxpayer to authorize communication between a return preparer and a municipal income tax administrator. The act requires annual municipal income tax returns to include a box the taxpayer may check to authorize the return preparer to communicate with the administrator about matters pertaining to the return. By checking the box, the taxpayer authorizes the tax administrator to contact the preparer, and authorizes the preparer only to provide the administrator with information that is missing from the return, to contact the administrator for information about the processing of the return or the status of the taxpayer's refund or payments, and to respond to notices about mathematical errors, offsets, or return preparation that the taxpayer has received from the administrator and has shown to the return preparer. The return or the instructions accompanying the return must inform the taxpayer of the authority the taxpayer is conferring by checking the box.

Effective date

(Section 3)

The act's changes apply to taxable years beginning on or after the act's effective date.

HISTORY

ACTION	DATE
Introduced	05-17-07
Reported, H. Ways & Means	06-21-07
Passed House (95-2)	10-03-07
Reported, S. Ways & Means & Economic Development	11-14-07
Passed Senate (30-0)	11-14-07
House concurred in Senate amendments (90-5)	12-04-07

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