

Columbia Township Joint Economic Development Zone

INSTRUCTIONS

For

Return and Payment of 2016 Tax Withheld

Each employer within *or* doing business within the JED Zone who employs one or more persons is required by Ordinance No. 32-2015 to deduct a tax of **one percent (1%)** from salaries, wages, commissions or other compensation of employees. The employer must pay the amount of deducted or withheld tax to the JED Zone for the quarterly periods which end **March 31, June 31, September 30 and December 31**. Said payment is to be made within **fifteen days** after each quarter close. **Note: Withholding tax is based on "Qualifying Wages", per O.R.C. 718.03**

Please use the enclosed 2016 barcoded withholding forms when submitting payment to the JEDZ tax office. If you misplace your withholding form, it is preferable that you contact our office for an *account specific* form. You may also visit the Columbia Township website at www.columbiatwp.org for a generic non-barcoded form. **Note:** If you use a payroll service for payment of withholding tax, they *do not* have to use these forms.

Please follow instructions as listed:

1. The full amount of taxes deducted and withheld must be paid at the time the taxes are filed on Form W-1. No part deducted or withheld taxes may be paid in installments!
2. Four copies of Form W-1 are enclosed. On or before:

April 15, 2016 complete one copy showing the amount of taxes withheld on all employees for the months of *January, February and March*.

July 15, 2016 complete another copy showing the amount showing the amount of taxes withheld on all employees for the months of *April, May and June*.

October 15, 2016 complete another copy showing the amount showing the amount of taxes withheld on all employees for the months of *July, August and September*.

January 15, 2017 complete the final copy showing the amount showing the amount of taxes withheld on all employees for the months of *October, November and December*.

*Use barcoded Form W-1 for the current quarter and show amount of tax due. It is important to mark the proper quarter box if using a generic form. Return Form W-1 along with payment due and retain a copy for your records.

3. The Form W-1 must be signed by the President, Treasurer or other authorized officer of the firm. Be sure to state the individual's title.

Changes for 2016 - INTEREST AND PENALTIES

All taxes imposed under the provisions of Ordinance 32-2015 and remaining unpaid, after becoming due, shall bear interest at the rate of 0.42% per month, effective January 1, 2016. Per O.R.C. 718.27 the interest rate is based on the Federal short term rate plus **five percent (5%)** and may change each tax year.

Employers who fail to withhold and remit taxes withheld from employees wages shall be subject to penalty of fifty percent (50%) of the amount past due. **If you are paying taxes for tax year 2015 or earlier, refer to the penalty for that year(s).**