

AN ORDINANCE AMENDING ORDINANCE 77-9

WHEREAS, the City of New Lexington has determined a need for changes in interest and penalties for late filing of income tax returns.

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE AUTHORITY OF THE MUNICIPALITY OF NEW LEXINGTON, OHIO

That Section 11 of Ordinance 77-9 be amended as follows:

Section 11. INTEREST AND PENALTIES

- A. All taxes imposed and all monies withheld or required to be withheld by employers under the provisions of this ordinance and remaining unpaid after they become due shall bear interest at the rate of one-half (1/2) of one percent (i.e. 1/2%) per month or fraction thereof.
- B. In addition to interest as provided in paragraph A hereof, penalties based on the unpaid tax are hereby imposed as follows:
 - 1. For failure to pay taxes due-other than taxes withheld: one and one-half percent (1 1/2 %) per month or fraction thereof.
 - 2. For failure to remit taxes withheld from employees: five percent (5%) per month or fraction thereof.
- C. In the case of taxpayers who fail to file tax returns when due as required by this ordinance, the following late filing charge will apply:

LATE CHARGE	WHEN COMPLETE TAX RETURN IS FILED
\$ 25.00	Not more than thirty (30) days late
\$ 50.00	More than thirty (30) but not more than ninety (90) days late
\$100.00	More than ninety (90) days late

- D. Effective for tax years 2005 and later, for failure to provide forms 1099 as required in Section 6C.2 of this ordinance, there shall be assessed a late filing charge of \$10.00 effective on the first day of the month following the due date and increased by \$10.00 on the first day of each month thereafter that the violation continues to a maximum of \$50.00.
- E. **EXCEPTIONS:** A penalty shall not be assessed on an additional tax assessment made by the Administrator when a return has been filed in good faith and the tax paid thereon within the time prescribed by the Administrator; and provided further that, in the absence of fraud, neither penalty nor interest shall be assessed on any additional tax assessment resulting from a federal audit, providing an amended return is filed and additional tax is paid within three (3) months after the final determination of the federal tax liability.
- F. The Administrator is hereby given the authority to abate any of the penalties and late charges imposed by this Section upon formal request of the taxpayer. Such abatement is authorized whether in full or in part. The Administrator may promulgate reasonable rules and regulations governing the abatement of penalties and late fees.

SECTION 2. Except for the changes noted above, Ordinance 77-9, 77-10, 95-34 and 2003-21 shall remain in effect.

Adopted on: _____

Delmar Danison
President of Council

APPROVED:

ATTESTED:

Janine Conrad, Mayor

Jennifer Dennis, Clerk