

Instructions for Form IT-11J

Joint Economic Development District (JEDD) Employer's Quarterly Return of City Tax Withheld

Use to prepare returns for tax year **2021**

What's New?

Working from home during the COVID-19 pandemic

Ohio House Bill 197, amended by Ohio House Bill 110, instituted temporary language stating that on and after March 9, 2020, but before January 1, 2022, any day on which an employee performs personal services at a location, including the employee's home, which the employee is required to report for employment duties because of the declaration shall be deemed to be a day performing personal services at the employee's principal place of work.

Do I Need to File?

You must file Form IT-11J if, during a quarter, you have one or more employees performing work or services in Columbus (including field employees reporting to an office located in Columbus).

If you temporarily discontinue paying wages but anticipate future wages, you must still file Form IT-11J.

If you no longer expect to pay wages subject to the tax reportable on Form IT-11J, you must file a final Form IT-11J by checking "YES" for whether the account should be inactivated.

General Instructions

Withholding local income tax

Employers must withhold and remit City tax to the municipalities in which their employees work. Employees may also have a liability to the municipality in which they reside. If the credit allowed by the employee's city of residence for tax paid to the city of employment is less than the employee's liability to the city in which the employee resides, the employee will either have to request that their employer withhold the additional tax due to the city of residence, or make estimated tax payments to the city of residence.

Collection and filing responsibility

Employers are liable for the tax required to be withheld even if the employer fails to withhold the tax. Officers of a corporation are personally liable for the failure to remit the tax required to be withheld whether or not the tax was withheld. Dissolution of a corporation does not discharge an officer's liability for a failure of the corporation to remit the tax due.

Remitting withheld tax

You must remit the tax:

- By filing Form IT-15J **monthly** if the total taxes withheld or required to be withheld exceeded \$2,399 last calendar year or \$200 during any month of the prior quarter
- By filing Form IT-15J **semi-monthly** if the total taxes withheld or required to be withheld exceeded \$11,999 last calendar year or \$1,000 during any month in the preceding calendar year.

All other employers must remit the tax quarterly with Form IT-11J.

Completing Form IT-11J

CITIES: Report tax due on wages earned within the JEDD on the appropriate line.

QUALIFIED WAGES: All Ohio municipalities must assess payroll withholding tax on "qualifying wages" as defined in §718.01(R) of the Ohio Revised Code. In general "qualifying wages" are Medicare wages reduced by any Section 125 cafeteria plan amounts included in Medicare wages, such as adoption assistance (if offered) or cash (if employees can choose cash as one of the plan benefits). Employee deferrals into a 401(k) remain taxable for city purposes even if offered through a Section 125 cafeteria plan. If you have any employees that are exempt from Medicare taxes, you must calculate their "qualifying wages" as if they were subject to Medicare taxes. The IRS requires, but currently does not enforce, the inclusion of incentive stock option and employee stock purchase plan option income in Medicare wages. You must comply with the IRS requirements regarding these types of stock option income when calculating "qualifying wages" based on Medicare wages. Please consult your tax advisor regarding your specific compensation program and its effect on calculating "qualifying wages".

TAX RATE: Do not withhold at a rate greater than the pre-encoded rate even at the request of the employee.

TAX DUE: Enter tax due (multiply Qualifying Wages by Tax Rate).

PENALTY DUE: The penalty due for late payment of the tax is 50% of the unpaid tax.

INTEREST DUE: All taxes remaining unpaid after they become due are subject to interest at the rate of .4167% per month.

LATE CHARGE: The late filing charge is \$25 per month up to a maximum of \$150. You will be assessed late charges even when no tax is due.

LESS PRIOR PAYMENT: Enter required monthly or semimonthly deposits remitted for the quarter and overpayments (credits) from prior quarters. If you are claiming an overpayment from a prior quarter, attach a letter requesting that the overpayment be transferred to this quarter.

NET DUE: Enter net due (total due less prior payments). Amount due indicated in this column must be paid with the return. Do not remit amounts less than \$10.

Filing the Return

Employers must file Form IT-11J on or before the last day of the month following the close of each calendar quarter. These due dates are:

- April 30,
- July 31,
- October 31, and
- January 31.

A late filing fee of \$25 per month up to \$150 may be assessed for failure to file Form IT-11J.

Please note that the Division does not accept cash payments. Form IT-11 must be mailed to:

The Columbus Income Tax Division
PO Box 182489
Columbus, Ohio 43218-2489

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