

VERSAILLES TAX DEPARTMENT

PO Box 288 Versailles OH 45380
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Each employer, agent of an employer, or other payer located or doing business in the Village of Versailles shall withhold from each employee an amount equal to the qualifying wages of the employee multiplied by 1.5% tax rate and shall be remitted to the tax administrator per schedule below.

WITHHOLDING VILLAGE INCOME TAX

Passage of H.B. 5 mandates municipal income tax codes be amended (for a complete list of all changes please see Ordinance 15-46 & 16-37 posted to our website at www.versaillesohio.cc). Several withholding changes that will be in affect beginning January 1, 2016 are as follows:

1. **Withholding Thresholds** (Monthly vs. Quarterly Filing Requirements)
Monthly - For all businesses who withheld more than \$2,399 in the previous calendar year (OR) if the total amount of taxes withheld in any month of the preceding calendar quarter exceeded \$200.
Quarterly – Remit quarterly if you do not meet the above criteria.
2. **Withholding Due Dates** – (may be filed electronically through Ohio Business Gateway)
Monthly withholding remittance is due on the **15th day** after the end of the month
Quarterly withholding remittance is due on the **last day** of the month following the last day of the calendar quarter.
Note: Quarterly payment due dates were amended as of 9/12/16 by SB 172. 2016 quarterly remittance prior to this date were due by the 15th day after the end of the month. The 3rd quarter 2016 remittance was due October 31, 2016
3. **Penalties and Interest**
 - Interest is calculated using the Federal Short Term Rate (rounded) + 5% and shall be assessed per month, or fraction of a month on all unpaid withholding tax.
 - Late return filings, including reconciliations, will be penalized \$25 per month or fraction thereof up to \$150 maximum. Reconciliations are due the last day of February each year.
 - Late withholding payments are penalized at a rate of 50% of the amount not timely filed.
4. **Annual reconciliations** are due by last day of February of each year. It must include names, addresses, SSN of all employees with tax withheld (or should have been withheld) for preceding calendar year, amount of tax withheld from each employee, amount of qualifying wages paid, and other information required for federal income tax reporting purposes on form W-2. Also, the reconciliation must show amount withheld or should have been withheld for every other municipal corporation.
5. **Small Employer Exemption** (Must provide copy of preceding years Federal Tax return)
If your business total gross revenue is \$500,000 or less in the preceding tax year **and** your business is **not** within the corporation limits of the Village of Versailles, you are exempt from the Occasional Entrant rules. Small employers (under \$500,000 in total gross revenue) with their fixed location in Versailles corporation limits shall withhold Versailles municipal tax on all employee's qualifying wages regardless to the number of days on which an employee performs personal services in any municipal corporation.