

**Ohio Department of Taxation
Income Tax Audit Division
Information Release
September 30, 1999**

Re: Ohio's Withholding Tax Law

Sub. H. B. 715, 120th General Assembly revised the post-1994 Ohio and SDIT¹ withholding tax payment and filing requirements for Ohio employers (see Ohio Revised Code section 5747.07 as amended). Set forth below is a chart, summarizing the changes in the payment and filing requirements for compensation paid in the year 2000.

**Ohio and SDIT Withholding
Payment and Filing Schedule
Compensation Paid During the Year 2000**

<u>Description of Employer</u>	<u>Date when with-held taxes are due</u>	<u>Payment Method</u>	<u>Filing (reporting) Requirements</u>
An employer who accumulates or is required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more during a partial weekly withholding period ² and whose actual or required payments (<u>in-cluding</u> SDIT) during the twelve-month period ending June 30, 1999 were <u>more than \$180,000</u> .	Payment (<u>excluding</u> SDIT) due on the first banking day after the pay date on which the accumulated state income tax and SDIT with-held reaches or exceeds \$100,000.	EFT. See Note #1 on back side.	Quarterly reconciliation return (Ohio Form IT-942) is due no later than the last day of the month following the calendar quarter. An annual reconciliation form (IT-941) for state income tax withheld is <u>not</u> due. See Note #2 on back side.
	Payment of SDIT is due no later than fifteen days following the end of each month.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation of Tax Withheld") is due by January 31 of the next calendar year.

An employer who accumulates or is required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more during a partial weekly withholding period and whose actual or required payments (<u>including</u> SDIT) during the twelve-month period ending June 30, 1999 were <u>less than \$180,000.01</u> .	Payment (<u>excluding</u> SDIT) due on the first banking day after the pay date on which the accumulated state income tax and SDIT withheld reaches or exceeds \$100,000.	Mail with Form IT-501.	An annual reconciliation form (Ohio IT-941) for state income tax withheld is due no later than January 31 of the next calendar year. See Note #2 on back side.
	Payment of SDIT is due no later than fifteen days following the end of each month.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation of Tax Withheld") is due by January 31 of the next calendar year.

1. SDIT = School District Income Tax withheld or required to be withheld.

2. A "partial weekly withholding period" consists of a consecutive Saturday, Sunday, Monday, and Tuesday or a consecutive Wednesday, Thursday, and Friday. There are two partial weekly withholding periods each week except that a partial weekly withholding period cannot extend from the end of one calendar year into the beginning of the next calendar year. Specifically, if January 1 falls on a day other than Saturday or Wednesday, the partial weekly withholding period ends on the thirty first day of the preceding December, and in such situations there will be three partial weekly withholding periods during that week. See Ohio Revised Code section 5747.07. Ohio Revised Code section 5747.07(A)(5) states that for purposes of Ohio Revised Code section 5747.07 a "week" begins on a Saturday and concludes at the end of the following Friday.

<u>Description of Employer</u>	<u>Date when withheld taxes are due</u>	<u>Payment Method</u>	<u>Filing (reporting) Requirements</u>
An employer who does not accumulate and who is not required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more and whose actual or required payments (<u>including</u> SDIT) during the twelve-month period ending June 30, 1999 were <u>more than \$180,000.00</u> .	Payment (<u>excluding</u> SDIT) due within 3 banking days after the close of the partial weekly withholding period during which the employer was required to deduct and withhold.	EFT. See Note #1, below.	Quarterly reconciliation form (Ohio IT-942) is due no later than the last day of the month following the calendar quarter. An annual reconciliation form (Ohio IT-941) for state income tax withheld is <u>not</u> due. See Note 2, below.
	Payment of SDIT is due no later than fifteen days following the end of each month.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation of Tax Withheld") is due by January 31 of the next calendar year. See Note 2, below.
An employer who does not accumulate and who is not required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more and whose actual or required payments (<u>including</u> SDIT) during the twelve month period ending June 30, 1999 were <u>more than \$83,999.99 but were less than \$180,000.01</u> .	Payment (<u>excluding</u> SDIT) due within 3 banking days after the close of the partial weekly withholding period during which the employer was required to deduct and withhold	Mail with Form IT-501.	An annual reconciliation form (Ohio IT-941) for state income tax withheld is due no later than January 31 of the next calendar year. See Note #2, below.
	Payment of SDIT is due no later than fifteen days following the end of each month.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation of Tax Withheld") is due by January 31 of the next calendar year. See Note 2, below .
An employer who does not accumulate and who is not required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more and whose actual or required payments (<u>including</u> SDIT) during the twelve month period ending June 30, 1999 were <u>more than \$2,000</u> but were <u>less than \$84,000.00</u> .	Payment of state income tax withheld is due no later than 15 days following the end of the month. See Note #3, below.	Mail with Form IT-501. See Note #2, below.	An annual reconciliation form (Ohio IT-941) for state income tax withheld is due no later than January 31 of the next calendar year.
	Payment of SDIT is due no later than fifteen days following the end of each month.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation of Tax Withheld") is due by January 31 of the next calendar year. See Note 2, below
An employer who does not accumulate and who is not required to accumulate undeposited taxes (<u>including</u> SDIT) of \$100,000 or more and whose actual or required payments (<u>including</u> SDIT) during the twelve-month period ending June 30, 1999 were <u>\$2,000 or less</u> .	Payment of state income tax withheld is due no later than the last day of the month following the end of the calendar quarter. See Note #3, below.	Mail with Form IT-501.	An annual reconciliation form (Ohio IT-941) for state income tax withheld is due no later than January 31 of the next calendar year. See Note #2, below.
	Payment of SDIT is due no later than the last day of the month following the end of the calendar quarter. See Note #3, below.	Mail with Form SD-101.	Ohio Form SD-141 ("School District Employer's Annual Reconciliation Withheld") is due by January 31 of the next calendar year. See Note #2, below.

NOTES

- Note #1:** EFT = Electronic Funds Transfer method. The EFT method should **not** be used for payment of assessed amounts. Furthermore, the EFT method does **not** apply to payments of withheld SDIT.
- Note #2:** Ohio Form IT-3 ("Transmittal of Wage and Tax Statement") and a copy of IRS Forms W-2 for the calendar year are due by February 28 of the next calendar year.
- Note #3:** Ohio Revised Code section 5747.07(D) sets forth several circumstances under which the Tax Commissioner can require that an employer pay (remit) withheld taxes on a more frequent basis.

For more information about EFT payment requirements, call one of the numbers listed below:

1-877-EFT-OHIO
 1-614-466-8063
 Ohio Relay Service: 1-800-750-0750.

For more information about withholding tax requirements and reporting requirements, call any of the numbers listed below:

1-888-405-4039 (Toll Free)
Ohio Relay Service: 1-800-750-0750.