



City of Stow  
Division of Taxation  
P.O. Box 3649  
Akron, Ohio 44309  
Phone: 330-689-2849  
[www.stowohio.org](http://www.stowohio.org)

**IMPORTANT TAX INFORMATION**  
**2017 EMPLOYER MUNICIPAL WITHHOLDING BOOK**

PAYMENTS CAN ALSO BE MADE THROUGH THE OHIO  
BUSINESS GATEWAY AT [HTTPS://OHIOBUSINESSGATEWAY.OHIO.GOV](https://ohiobusinessgateway.ohio.gov)

## IMPORTANT WITHHOLDING TAX CHANGES EFFECTIVE 1-1-2017

### Changes mandated by Ohio Revised Code Chapter 718 (House Bill 5- Municipal Income Tax Uniformity)

#### WHO MUST FILE:

1. Each employer located within the City of Stow is required to withhold the tax for all employees age (18) eighteen or older.
2. Before beginning work within the city, each NON RESIDENT EMPLOYER doing business in the city must register with the city income tax department, to determine their filing requirement.

#### DEPOSIT FREQUENCY REQUIREMENTS:

**MONTHLY** – Employers must remit monthly if withholding in the previous calendar year exceeded \$2,399 or if the amount required to be withheld during any month of the previous calendar quarter exceeded \$200.

**QUARTERLY** – Employers can remit quarterly if their withholdings are under the thresholds described for monthly filers.

#### WITHHOLDING DUE DATES:

Monthly returns and payment must be received no later than the 15<sup>th</sup> of the month following the month end. Quarterly returns and payment must be received by the last day of the month following the quarter end.

#### RECONCILIATION DUE DATE:

The reconciliation due date is the last day of February.

#### INTEREST AND PENALTIES:

**Interest** – 6% per annum (0.5% per month or fraction of a month). Interest is based on the Federal rate and may change annually.

**Late Payment Penalty** – 50% of the unpaid tax due.

**Late File Penalty** – \$25.00 per month or fraction of a month with a maximum of \$150.

# INSTRUCTIONS FOR PREPARING AND FILING FORM SW-1

## **WHO MUST FILE:**

Every business entity which conducts business within the corporate limits of the City of Stow, regardless of where that entity is located, is required to withhold tax from all compensated employees at the time or times such compensation is paid, or in the case of any type of deferred compensation, when such compensation is earned.

## **Definition of “Taxable Earnings”**

The term “Taxable Earnings” has the same meaning as “Qualifying Wages” as defined in the ORC 718.03(A). For most employees this is the “Medicare Wage” amount. If the employee is not subject to Medicare withholding, the provisions in ORC 718.03(A) apply.

## **Definition of “Employer”**

The term “Employer” means an individual, co-partnership, association, corporation (including a corporation of the first or non-profit class), governmental administration agency, arm, authority, board, body, branch, bureau, department, division, section unit, or any other entity, who or that employs one or more persons on a salary, wage, commission, or other compensation basis, whether or not such employer is engaged in business as define in the Ordinance and in the Regulations.

## **Interest and Penalties:**

All taxes required to be withheld by employers and remaining unpaid after they become due shall bear interest at the rate of 6% per annum

(0.5% per month or fraction thereof). The interest rate is based on the Federal rate and may change each year. In addition, employers required to withhold taxes from employees, shall also be subject to a late paid penalty of 50% of the unpaid tax and a late file penalty of \$25 per month or fraction thereof with a maximum of \$150.

## **Failure to File Return and Pay Tax**

Any individual, firm or corporation who fails, neglects or refuses to file a return, who refuses to pay the tax, penalties and interest imposed, who refuses to permit the Tax Administrator or any duly authorized agent or employee to examine his books, records and papers, who knowingly makes an incomplete, false or fraudulent return, or who attempts to do anything to avoid payment of the whole or any part of the tax shall be guilty of a first degree misdemeanor and shall be fined not more than \$1,000 or imprisoned for not more than 6 months, or both, for each offense. The failure of any taxpayer to receive a return shall not excuse such taxpayer from filing a return or paying the tax due.

Any check in payment of tax, penalty and/or interest which is returned to the City marked Insufficient Funds, Account Closed or Stop Payment, shall be subject to a \$10.00 charge for the purpose of defraying additional processing expenses incurred by the city.

The employer is responsible for payment of under-withholding.

I hereby certify that the information and statements contained herein are true and correct.

- 1. Taxable Earnings paid all Employees subject to Stow, Ohio, City Income Tax \$ \_\_\_\_\_
- 2. Actual Tax Withheld in period for Stow Income Tax \$ \_\_\_\_\_
- 3. Adjustment of Tax for prior period \$ \_\_\_\_\_
- 4. Penalty: \$ \_\_\_\_\_
- 5. Interest: \$ \_\_\_\_\_
- 6. Total: \$ \_\_\_\_\_

(Signed) \_\_\_\_\_

(Official Title) \_\_\_\_\_

Date

THIS RETURN MUST BE FILED  
ON OR BEFORE THE DUE DATE SHOWN BELOW

MAKE CHECK OR MONEY ORDER PAYABLE TO  
**TAX ADMINISTRATOR, CITY OF STOW**

PRINT COMPANY NAME, ADDRESS AND FEDERAL EIN BELOW

FOR MONTH(S) OF  
JAN, FEB, MAR 2017

MAIL TO:

DUE ON OR BEFORE:  
APRIL 30, 2017

**TAX ADMINISTRATOR  
P.O. BOX 3649  
AKRON, OHIO 44309  
PHONE (330) 689-2849**

Notify Income Tax Department promptly of any change in ownership, name or address shown above.

I hereby certify that the information and statements contained herein are true and correct.

- 1. Taxable Earnings paid all Employees subject to Stow, Ohio, City Income Tax \$ \_\_\_\_\_
- 2. Actual Tax Withheld in period for Stow Income Tax \$ \_\_\_\_\_
- 3. Adjustment of Tax for prior period \$ \_\_\_\_\_
- 4. Penalty: \$ \_\_\_\_\_
- 5. Interest: \$ \_\_\_\_\_
- 6. Total: \$ \_\_\_\_\_

(Signed) \_\_\_\_\_

(Official Title) \_\_\_\_\_

\_\_\_\_\_ Date

THIS RETURN MUST BE FILED  
ON OR BEFORE THE DUE DATE SHOWN BELOW

MAKE CHECK OR MONEY ORDER PAYABLE TO  
**TAX ADMINISTRATOR, CITY OF STOW**

PRINT COMPANY NAME, ADDRESS AND FEDERAL EIN BELOW

FOR MONTH(S) OF  
APR, MAY, JUN 2017

MAIL TO:

DUE ON OR BEFORE:  
JULY 31, 2017

**TAX ADMINISTRATOR  
P.O. BOX 3649  
AKRON, OHIO 44309  
PHONE (330) 689-2849**

Notify Income Tax Department promptly of any change in ownership, name or address shown above.

I hereby certify that the information and statements contained herein are true and correct.

- 1. Taxable Earnings paid all Employees subject to Stow, Ohio, City Income Tax \$ \_\_\_\_\_
- 2. Actual Tax Withheld in period for Stow Income Tax \$ \_\_\_\_\_
- 3. Adjustment of Tax for prior period \$ \_\_\_\_\_
- 4. Penalty: \$ \_\_\_\_\_
- 5. Interest: \$ \_\_\_\_\_
- 6. Total: \$ \_\_\_\_\_

(Signed) \_\_\_\_\_

(Official Title) \_\_\_\_\_

Date

THIS RETURN MUST BE FILED  
ON OR BEFORE THE DUE DATE SHOWN BELOW

MAKE CHECK OR MONEY ORDER PAYABLE TO  
**TAX ADMINISTRATOR, CITY OF STOW**

PRINT COMPANY NAME, ADDRESS AND FEDERAL EIN BELOW

FOR MONTH(S) OF  
JUL, AUG, SEP 2017

MAIL TO:

DUE ON OR BEFORE:  
OCTOBER 31, 2017

**TAX ADMINISTRATOR  
P.O. BOX 3649  
AKRON, OHIO 44309  
PHONE (330) 689-2849**

Notify Income Tax Department promptly of any change in ownership, name or address shown above.

I hereby certify that the information and statements contained herein are true and correct.

- 1. Taxable Earnings paid all Employees subject to Stow, Ohio, City Income Tax \$ \_\_\_\_\_
- 2. Actual Tax Withheld in period for Stow Income Tax \$ \_\_\_\_\_
- 3. Adjustment of Tax for prior period \$ \_\_\_\_\_
- 4. Penalty: \$ \_\_\_\_\_
- 5. Interest: \$ \_\_\_\_\_
- 6. Total: \$ \_\_\_\_\_

(Signed) \_\_\_\_\_

(Official Title) \_\_\_\_\_

Date

THIS RETURN MUST BE FILED  
ON OR BEFORE THE DUE DATE SHOWN BELOW

MAKE CHECK OR MONEY ORDER PAYABLE TO  
**TAX ADMINISTRATOR, CITY OF STOW**

PRINT COMPANY NAME, ADDRESS AND FEDERAL EIN BELOW

FOR MONTH(S) OF  
OCT, NOV, DEC 2017

MAIL TO:

DUE ON OR BEFORE:  
JANUARY 31, 2018

**TAX ADMINISTRATOR  
P.O. BOX 3649  
AKRON, OHIO 44309  
PHONE (330) 689-2849**

Notify Income Tax Department promptly of any change in ownership, name or address shown above.

## RECONCILIATION INSTRUCTIONS

### **IMPORTANT:**

Photocopies, computer print-outs or typed lists will be accepted in lieu of original W-2 forms provided equivalent information is presented. If moving expenses, sick pay, profit sharing and/or deferred compensation are included in gross wages, specify amounts separately.

The original of this reconciliation must be filed with TAX DEPARTMENT, CITY OF STOW, P.O. Box 1668, Stow, Ohio 44224 on or before the last day of February, unless a written request for extension has been made and granted (in writing) by the Administrator. This form must be accompanied by copies of employee's statements (Form W-2) showing: (1) name and address of employee; (2) social security number; (3) gross earning earned before any deductions; (4) amount of STOW and other municipal income tax withheld; (5) name, address, and STOW account number of employer.

If Line 7 indicates a balance due, the amount thereof should accompany this return; if Line 7 indicates an overpayment, a refund request signed by the employer should be mad and submitted with the W-2 forms or the overpayment may be used as an adjustment credit on the next period's SW-1 form.



RECONCILIATION OF STOW INCOME TAX WITHHELD FROM WAGES

- 1. Total number of employees as represented by Form W-2 or equivalent submitted herewith..... \_\_\_\_\_  
(All W-2's submitted must be completed in there entirety)
- 2. Total wages as shown on W-2's .....\$ \_\_\_\_\_
- 3. Total wages subject to STOW TAX paid during 2017 as shown on employee's statement W-2.....\$ \_\_\_\_\_  
(explain difference between line 2 & 3)
- 4. Tax Due Stow Line 3 x 2% (.02).....\$ \_\_\_\_\_

- 5. Total STOW Income Tax Withheld during 2017 From: (Form SW-1)
  - Quarter ended March 31 \$ \_\_\_\_\_
  - Quarter ended June 30 \$ \_\_\_\_\_
  - Quarter ended September 30 \$ \_\_\_\_\_
  - Quarter ended December 31 \$ \_\_\_\_\_
- 6. Total .....\$ \_\_\_\_\_
- 7. Difference between Lines 4 & 6 \$ \_\_\_\_\_

PRINT COMPANY NAME, ADDRESS AND FEDERAL EIN BELOW

If Line 7 indicates a balance due, the amount thereof should accompany this return; if Line 7 indicates an overpayment, a refund request signed by the employer should be made and submitted with the W-2 forms.

Check reason for withholding:

- RESIDENT EMPLOYER
- COURTESY WITHHOLDING
- WORK PERFORMED IN STOW

PLEASE USE THESE LABELS  
TO RETURN YOUR MONTHLY  
WITHHOLDING PAYMENTS TO  
THE CITY.

CITY OF STOW  
DIVISION OF TAXATION  
P.O. BOX 3649  
AKRON, OH 44309

CITY OF STOW  
DIVISION OF TAXATION  
P.O. BOX 3649  
AKRON, OH 44309

CITY OF STOW  
DIVISION OF TAXATION  
P.O. BOX 3649  
AKRON, OH 44309

CITY OF STOW  
DIVISION OF TAXATION  
P.O. BOX 3649  
AKRON, OH 44309

PLEASE USE THESE LABELS  
TO RETURN YOUR ANNUAL  
PAYROLL RECONCILIATION

CITY OF STOW  
DIVISION OF TAXATION  
P.O. BOX 1668  
STOW, OH 44224

Withholding Tax Worksheet  
(Keep for your records – Do not file)

<u>Month Ending</u>	<u>Due Date</u>	<u>Check#</u>	<u>Date</u>	<u>Amount</u>
1/31	2/15	_____	_____	_____
2/28	3/15	_____	_____	_____
3/31	4/15	_____	_____	_____
or 1st qtr	4/30	_____	_____	_____
4/30	5/15	_____	_____	_____
5/31	6/15	_____	_____	_____
6/30	7/15	_____	_____	_____
or 2nd qtr	7/31	_____	_____	_____

Withholding Tax Worksheet  
(Keep for your records – Do not file)

<u>Month Ending</u>	<u>Due Date</u>	<u>Check#</u>	<u>Date</u>	<u>Amount</u>
7/31	8/15	_____	_____	_____
8/31	9/15	_____	_____	_____
9/30	10/15	_____	_____	_____
or 3rd qtr	10/31	_____	_____	_____
10/31	11/15	_____	_____	_____
11/30	12/15	_____	_____	_____
12/31	1/15	_____	_____	_____
or 4th qtr	1/31	_____	_____	_____