



INCOME TAX OFFICE

11641 Chester Road
Sharonville, Ohio 45246
PH (513) 563-1169
FX (513) 588-3969
www.sharonville.org

MAYOR
Kevin M. Hardman

TAX ADMINISTRATOR
Linda S. Collins

SAFETY/SERVICE DIRECTOR
James M. Lukas

IMPORTANT TAX NOTICE

Electronic Filing Requirement Notice

Dear Employer:

The City of Sharonville's Income Tax Ordinance requires the payment of withheld taxes by Electronic Funds Transfer, unless the Tax Administrator grants an exemption from this requirement.

The City of Sharonville Tax Office has an ACH Credit Electronic Filing Program to assist your organization with meeting this requirement. An ACH debit program is also available through the Ohio Business Gateway (www.obg.ohio.gov).

BENEFITS TO YOU

- The ACH Credit Electronic Program is available 24 hours a day, 7 days a week.
- Payments are processed conveniently and accurately via electronic funds transfer.
- The program will reduce paperwork and save postage costs.
- No monthly or quarterly mailings are necessary. Annual reconciliations will still be required.

STEPS TO IMPLEMENTATION

- Contact your financial institution or withholding agent to ensure they can process ACH credit transactions. Also, be sure to ask them for a copy of the ACH transmission schedule so you will be able to schedule the payments appropriately.
- Ensure your system or the system of your withholding agent can generate a file according to the ACH addendum specifications outlined on the attached form. The CCD+ format is used.
- The following information will be needed to process your ACH payments.
 - Bank Routing number: 042000314
 - Account number: 7023341907
 - City of Sharonville financial institution: Fifth Third Bank

If requesting consideration by the Tax Administrator for an exemption from this requirement, please complete and submit the ACH Exemption Request Form. Additional important withholding tax information is also attached.

The Sharonville Tax Office is available to assist you with any questions or concerns. Please contact our office at (513) 563-1169.

Sincerely,

Linda S. Collins

Linda S. Collins
Tax Administrator
EFT Req

ACH ADDENDUM SPECIFICATIONS

Each ACH record has a user-defined field at the end called the Tax Payment (TXP) Addenda Record. For the City of Sharonville withholding transmissions, the addendum must have the following format (see the sample below).

TXP FIELD	POSITION	CONTENT. ENTER THIS INFORMATION:
	1-4	TXP* (Unchangeable Characters)
01	5-13	Your federal ID number . Do not use punctuation or separators.
02	14-18	*011* (Unchangeable Characters)
03	19-24	The date the tax-reporting period ends , as <i>yymmdd</i> . For example, for a monthly payer, the end of the tax period for the third month would be March 31, 2007. The entry for this field would then be 070331.
04	25-27	*T* (Unchangeable Characters)
05	28-37	The amount of tax being paid , as a 10-digit number, right justified, left zero filled, with both dollars and cents, and no decimal point. For example, if 0000000829 is transmitted, then the withholding tax paid is \$8.29. If there is no withholding for the period, then the field would contain ten zeros.
06	38-41	*ZZ* (Unchangeable Characters)
07	42-51	The amount of qualifying wages for the tax-reporting period as a 10-digit number, right justified, left zero filled, with both dollars and cents and no decimal point. If there are no qualifying wages for the period, then the field would contain ten zeros.
08-09	52-54	*** (Unchangeable Characters)
10	55-60	Your City of Sharonville account number . It is 5 digits and the letter W (Unchangeable Character). Do not use a dash.
	61	\ (back slash) (Unchangeable Character)

Sample ACH Addendum for City of Sharonville Withholding

(TXP Field)	01	02	03	04	05	06	07	08/09	10		
(Position)	1 - - - 5 - - - - -	14 - - - - 19 - - - -	25 - - - 28 - - - - -	38 - - - 42 - - - - -	52 - - - 55 - - - - -	61					
(Content)	TXP*#####	*011*	YYMMDD	*T*	\$\$\$\$\$\$c c	*ZZ*	\$\$\$\$\$\$c c	***	####W\		
	Your Federal ID Number		Date of End of Tax Period		Amount of Tax Being Paid		Qualifying Wages for the Period Being Reported			Your City of Sharonville Account Number	

ACH EXEMPTION REQUEST FORM

TAXPAYER INFORMATION

Taxpayer Account Name: _____

Tax Account Number: _____

Federal Tax ID Number: _____

TAXPAYER CONTACT INFORMATION

Primary Contact Person: _____

Address: _____

Phone Number: _____ FAX Number: _____

E-mail: _____

EXEMPTION REQUEST

Consideration for exemption at this time from the ACH electronic filing requirement is requested due to the following reason(s):

Taxpayer Signature

Date

Printed Name

Title

Please mail the completed form to:

City of Sharonville Income Tax Office
ACH Electronic Filing Program
11641 Chester Road
Sharonville, OH 45246-2803



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IMPORTANT WITHHOLDING TAX INFORMATION

- Payments must be made monthly if the total taxes deducted or withheld exceed \$2,399 in the prior calendar year, or exceed \$200 during any month of the previous calendar quarter. Monthly withholding payments shall be due on or before the 15th day of the month following the end of the withholding period.
- All other employers must make quarterly payments, and the payments shall be due on or before the last day of the month following the end of the withholding quarter.
- Payments of taxes withheld must be deposited electronically, unless the Tax Administrator has granted an exemption from this requirement.
- On or before **February 28th** of each year, each employer or the employer's agent must submit the reconciliation Form W-3 for the previous year plus copies of the employees' Form W-2 or an equivalent listing providing the Form W-2 information as well as copies of 1099's.

Reminder:

- The employer or the employer's agent is required to withhold only on "qualifying wages" as defined in Internal Revenue Code Section 3121(a), generally the Medicare wage in box 5 of Form W-2.
 1. Medicare Exempt Employees are subject to the requirements for "qualifying wages" in box 5 of Form W-2 even though that box will remain blank.
 2. Cafeteria Plans (IRC Section 125) are not included in the definition of Medicare wages.
 3. 401(k), 457, and Supplemental Unemployment Compensation Benefits should be included in Box 5 and are subject to withholding requirements.
 4. Nonqualified Deferred Compensation Plan income is included in the definition of "qualifying wages" at the time the income is deferred and is subject to withholding requirements.
 5. Stock Option income is included in the definition of "qualifying wages" and is subject to withholding requirements.
 6. The tax on a disqualifying disposition of Incentive Stock Option income is not required to be withheld, but it is considered "qualifying wages" and the recipient is liable for the tax. The employer may withhold the tax as a courtesy to the employee.