

# OMAC MuniNews

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News & Views About the Ohio Municipal Finance Industry

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[www.ohiomac.com](http://www.ohiomac.com)

from the Director



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GURNEY

Ohio's State Information Depository (SID) will shortly have a presence on the Internet. With secondary market continuing disclosure a topic that is being discussed more frequently in the municipal market, and with increased interest in the secondary market filings required by the Security Exchange Commissions Rule 15c2-12, OMAC, as Ohio's designated SID, has developed an Internet site. When activated, the site will allow anyone with Internet access the ability to view which documents have been filed by Ohio's issuers of municipal securities. Orders for copies of those filed documents may be placed from the Internet site, if an account has been established with the SID. Additionally, we eventually will make available online, to the Ohio issuers, a report indicating which documents we believe are required to be filed according to the continuing disclosure section of the Official Statement for any applicable issue of securities. It is thought that the SID web site will be available before the end of October. The site's Internet address is [www.ohiosid.com](http://www.ohiosid.com).

## MUNICIPAL INCOME TAX UNIFORMITY LEGISLATION SIGNED INTO LAW

By: Laurie Price, CPA

In April of this year, after much lobbying by the Ohio Society of CPAs, Governor Taft signed HB477 into law. This is the first reform of municipal income tax law since 1957. The law provides for uniformity in municipal income taxes in the State of Ohio. Most provisions of the bill become effective January 1, 2001 although the bill will not be fully implemented until January, 2003.

This long-awaited piece of legislation will simplify taxpayer compliance especially for service-based businesses and contractors who perform work in multiple cities. A key piece of the legislation is that all municipalities must accept a generic income tax form and must publish instructions related to that form. In addition, an automatic extension of the municipal tax filing deadline will be given when proof of a federal extension is provided. As there

are 534 municipalities in Ohio that currently have varied tax forms, policies and procedures, these are significant steps to simplify city income tax filing.

Listed below are the municipal income tax effective dates and provisions.

### July 26, 2000

A municipal corporation cannot require an annual income tax return before April 15.

### January 1, 2001

All municipalities have to accept a generic form.

12-day occasional entry provision for non-residents excluding professional entertainers and athletes. Compensation paid to an individual that works twelve days or less in a non-resident municipality cannot be taxed by that municipality.

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## Municipal Income Tax

*Continued from page 1*

Uniform de minimus exception rule for any nonresident employer to deduct and withhold taxes when the amount due from all employees is under \$150 for the year.

Automatic extension of the municipal tax filing deadline when a federal extension is requested.

**January 22, 2001**

**(180 days after effective date)**

All municipalities have to establish, by ordinance, a uniform appeals board and follow the appeals process set up in HB 477 to hear appeals.

**December 31, 2001 (On or before)**

Tax Commissioner shall host a Web site for each municipal corporation that doesn't have their own site.

**January 1, 2002**

Electronic versions of rules and ordinances governing municipal corporations tax available to the public through the Internet.

**January 1, 2003**

Exclusion of the parsonage allowance from federal gross income.

Municipalities must establish uniform standards for estimated payments for individuals and corporate taxpayers according to provisions set up in HB 477.

Municipalities must accept a corporate consolidated income tax return if a federal consolidated income tax return is filed.

Municipalities shall grant an entity level tax credit from non-resident passthrough entities including S Corps, Partnerships, LLC's and LLP's.

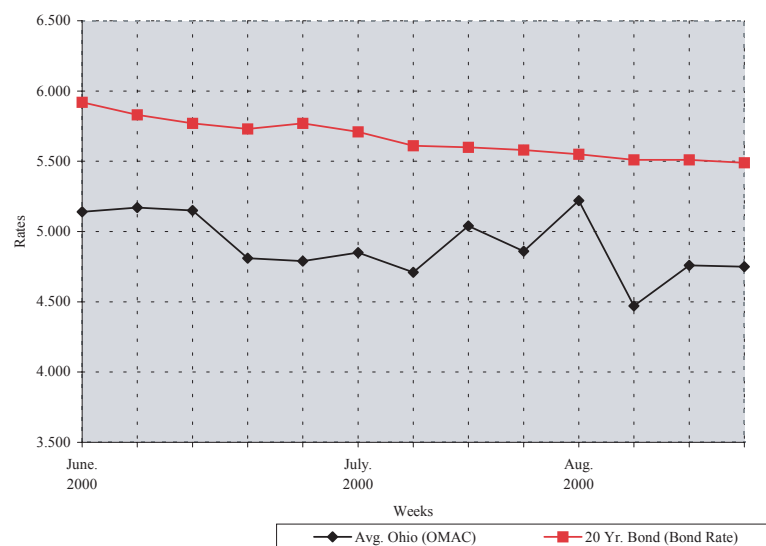
## MARKET UPDATE

### General Obligation

#### Note and Bond Interest Rates for June thru August

The following graph compares Ohio short-term note rates with the Bond Buyer's 20 year bond index. The short-term rates represent actual rates reported to OMAC by Ohio purchasers and reported on OMAC's weekly calendar.

**NOTE: Actual rates paid may vary due to the inclusion of various issuing expenses.**



*Continued from previous page*

Municipal corporations that tax income of passthrough entities shall specify by rule or ordinance whether the tax applies to income of the passthrough entity in the hands of the entity or to income from the passthrough entity in the hands of the owners of the entity.

Additional information can be found on the internet at [www.legislature.state.oh.us](http://www.legislature.state.oh.us) (go to “Laws, Acts & Legislation”).

Please contact one of our offices if you have any other questions about this legislation.

Medina Office: Laurie Price 330-722-5536

Cleveland Office: Shelly Meek 440-717-0852

*Established in 1970, Zalick, Torok, Kirgesner, Cook & Company serves a large number of small to medium sized businesses, as well as individuals, for which the firm acts as their accountant, auditor, consultant, and financial and tax advisor. Firm services include four basic categories; auditing and accounting, business services, tax, and consulting services. For more information contact Shelly Meek at (440) 717-0852*

## Congratulations Jack

OMAC would like to congratulate Parma City Treasurer Jack Krise, Jr. upon becoming President of the Municipal Treasurer’s Association of the United States and Canada. Jack began his career in Parma as a City Councilman in 1979, becoming Treasurer in 1985. Jack brings many years of valuable experience including past President of the Ohio Municipal Treasurer’s Association and past President the Municipal Finance Officer’s Association.



**Name:** Christopher Scott

**Years of Service:** 14 years

### Main Duties with OMAC

Assistant Director of Operations with managerial duties pertaining to the writing and publication of the OMAC reports and the entry and publication of the Public Utility Book. Chris also administers the employee benefits, company promotions and meetings, edits all reports released by OMAC and works on numerous special projects.

### Family

Married to wife Vicky, since 1995.

### Interests

Golf, Home Improvements and Travel.





**Ohio Municipal Advisory Council**  
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## CALENDAR

### Calendar of Issuer Conferences & Outings for 2000

NAME	EVENT	DATE	LOCATION
GFOA	Annual Fall Conference	September 20 - 22	Radisson Hotel - Cincinnati, Ohio
CCAO	Winter Conference	December 10 – 13	Hyatt Regency – Columbus, Ohio
OSBA	Conference	November 12 - 15	Hyatt Regency - Columbus Convention Center
NACO	Winter Conference	December 10 – 14	Hyatt Regency – Columbus, Ohio
OMTA	Annual Conference	October 4 – 6	Salt Fork State Lodge – Cambridge, Ohio
CAAO	Winter Conference	December 5 - 7	Hilton Easton – Columbus, Ohio
OPEC	Annual Meeting	November 14	Westin Great Southern - Columbus, Ohio

CCAO – County Commissioners Association of Ohio	(614) 221-5627	OSBA – Ohio School Boards Association	(614) 540-4000
GFOA – Government Finance Officers Association	(614) 221-1900	OMTA – Ohio Municipal Treasurers Association	(440) 885-8812
MFOA – Municipal Finance Officers Association of Ohio	(614) 221-4349	CAAO – County Auditor’s Association of Ohio	(614) 228-2226
NACO – National Association of Counties	(614) 221-5627	OPFOTP – Ohio Public Finance Officers Training Program	(330) 672-7148
OASBO – Ohio Association of School Business Officials	(614) 431-9116	BMA – Bond Market Association	(212) 440- 9429
OMCA – Ohio Municipal Clerks Association	(614) 221-4349	OPEC – Ohio Public Expenditure Council	(614) 221-7738

*If you would like your event highlighted, contact Chris Scott at 1-800-969-6622, or by email at [Chris@ohiomac.com](mailto:Chris@ohiomac.com)*