

**ORDINANCE NO. 2016-02  
INTRODUCED BY: MR. MAERSCH**

**AN ORDINANCE  
AMENDING SECTIONS 124.02, 124.04, 124.05 AND  
124.12 OF CHAPTER 124 OF THE CODIFIED  
ORDINANCES OF THE VILLAGE OF CHAGRIN FALLS  
REGARDING MUNICIPAL INCOME TAX, AND  
DECLARING AN EMERGENCY.**

WHEREAS, Ordinance 2015-39 was enacted on November 9, 2015 by the Council of the Village of Chagrin Falls, amending Chapter 124 of the Codified Ordinances as more fully set forth in Exhibit A to Ordinance 2015-39; and

WHEREAS, the Village has determined that three insubstantial errors were made in Exhibit A to Ordinance 2015-39 and Village Council desires to correct such errors made in the drafting of Exhibit A to Ordinance 2015-39; and

WHEREAS, this Council deems it necessary to enact this Ordinance and amend Codified Ordinance Chapter 124, and that the same is in accordance with the provisions and limitations specified in Chapter 718 of the Ohio Revised Code.

**NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE  
VILLAGE OF CHAGRIN FALLS, CUYAHOGA COUNTY, STATE OF OHIO:**

SECTION 1. Section 124.02(C)(16)(a)(iii) of the Codified Ordinances is hereby amended in its entirety to read as follows:

(iii) Division (C)(16)(a)(ii) of this section does not apply with respect to any net profit or net operating loss attributable to an ownership interest in an S corporation unless shareholders' shares of net profits from S corporations are subject to tax in the municipal corporation as provided in division (C)(16)(e) of this section.

That existing Section 124.02(C)(16)(a)(iii) of the Codified Ordinances, as hereinafter set forth, is repealed in its entirety:

(iii) Division (C)(16)(a)(ii) of this section does not apply with respect to any net profit or net operating loss attributable to an ownership interest in an S corporation unless shareholders' shares

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of net profits from S corporations are subject to tax in the municipal corporation as provided in division (C)(12)(n) or (C)(16)(e) of this section.

SECTION 2. Section 124.04(C)(2)(a) of the Codified Ordinances is hereby amended in its entirety to read as follows:

(2)(a) Subject to divisions (C)(3), (5) and (6) of this section, an employer is not required to withhold Municipal income tax on qualifying wages paid to an employee for the performance of personal services in the Municipality if the employee performed such services in the Municipality on twenty (20) or fewer days in a calendar year, unless one of the following conditions applies:

That existing Section 124.04(C)(2)(a) of the Codified Ordinances, as hereinafter set forth, is repealed in its entirety.

(2)(a) Subject to divisions (C)(3), (5), (6), and (7) of this section, an employer is not required to withhold Municipal income tax on qualifying wages paid to an employee for the performance of personal services in the Municipality if the employee performed such services in the Municipality on twenty (20) or fewer days in a calendar year, unless one of the following conditions applies:

SECTION 3. Section 124.05(P)(2)(b) of the Codified Ordinances is hereby amended in its entirety to read as follows:

(b) Taxes whose payment is extended in accordance with division (P)(2)(a) of this section are not delinquent during the extension period. Such taxes become delinquent on the first day after the expiration of the extension period if the taxes are not paid prior to that date. The Tax Administrator shall not require any payment of penalties or interest in connection with those taxes for the extension period. The Tax Administrator shall not include any period of extension granted under division (P)(2)(a) of this section in calculating the penalty or interest due on any unpaid tax.

That existing Section 124.05(P)(2)(b) of the Codified Ordinances, as hereinafter set forth, is repealed in its entirety.

(b) Taxes whose payment is extended in accordance with division (P)(2)(a) of this section are not delinquent during the extension period. Such taxes become delinquent on the first day after the

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expiration of the extension period if the taxes are not paid prior to that date. The Tax Administrator shall not require any payment of penalties or interest in connection with those taxes for the extension period. The Tax Administrator shall not include any period of extension granted under division (C)(2)(a) of this section in calculating the penalty or interest due on any unpaid tax.

SECTION 4. Section 124.12(D)(2) of the Codified Ordinances is hereby amended in its entirety to read as follows:

(2) If upon final determination of the appeal an error in the assessment is corrected by the Tax Administrator, upon an appeal so filed or pursuant to a final determination of the Board of Tax Review, or the Ohio the Ohio board of tax appeals, or any court to which the decision of the Ohio board of tax appeals has been appealed, so that the resultant amount due is less than the amount paid, a refund will be paid in the amount of the overpayment as provide by Section 124.09, with interest on that amount as provided by division (E) of Section 124.09.

That existing Section 124.12(D)(2) of the Codified Ordinances, as hereinafter set forth, is repealed in its entirety.

(2) If upon final determination of the appeal an error in the assessment is corrected by the Tax Administrator, upon an appeal so filed or pursuant to a final determination of the Board of Tax Review, of the Ohio the Ohio board of tax appeals, or any court to which the decision of the Ohio board of tax appeals has been appealed, so that the resultant amount due is less than the amount paid, a refund will be paid in the amount of the overpayment as provide by Section 124.09, with interest on that amount as provided by division (E) of Section 124.09.

SECTION 5. The subsections of Chapter 124 that are herein repealed shall be repealed immediately upon the new subsections taking effect with the intent that it shall not cause those subsections to be repealed without corrective replacement sections in effect at the moment in time when such repeal takes effect. Notwithstanding anything else to the contrary in this Ordinance, Codified Ordinance "Chapter 124, Municipal Income Tax" shall remain in full force and effect at the end of tax years beginning on or before December 31, 2016.

SECTION 6. That actions of this Council concerning and relating to the passage of this legislation were adopted in lawful meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in

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compliance with all legal requirements, including Chapter 114 of the Codified Ordinances of the Village of Chagrin Falls.

SECTION 7. This Ordinance constitutes an emergency measure and that the same provides for the immediate preservation of the public peace, health, safety and welfare of the inhabitants of the Village of Chagrin Falls, and further provides for the usual daily operations of the municipality and allows for the continuance of collection of Municipal income tax in accordance with the Ohio Revised Code, without interruption; and further provides for correction of unintended scrivener errors made in Exhibit A to Ordinance 2015-39 at the time of adoption; therefore, this ordinance shall be in full force and effect from and after its adoption by two-thirds of the Council and approval by the Mayor.

PASSED: January 25, 2016

  
Karl Maersch, Council President

Submitted to the Mayor for  
his approval on this


26 day of January, 2016

Approved by the Mayor

January 26, 2016

  
Mayor William Tomko

I hereby certify that Ordinance No. 2016-02 was duly enacted on the 25 day of January, 2016, by the Council of the Village of Chagrin Falls and posted in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls.

  
Clerk of Council