



Ohio Administrative Code Rule 4141-1-05 Corporate officers and directors.

Effective: December 20, 2018

(A) If an officer of a corporation received remuneration for services rendered to the corporation or renders services in anticipation of receiving remuneration from the corporation, the officer shall be considered in the employment of such corporation as provided in division (B)(1) of section 4141.01 of the Revised Code.

(B) Remuneration received by an officer of a corporation for services performed for the corporation which meets the terms of paragraph (A) of this rule may not be treated as partnership income by what may be known as a "subchapter-S" arrangement or by some other similar arrangement. Distributions and other payments by a "subchapter-S" corporation to a corporate officer or shareholder shall be treated as wages to the extent the amounts are reasonable compensation for services to the corporation by an employee.

(C) A director of a corporation who performs only the usual duties of a director shall not be considered in the employment of such corporation.
