



Ohio Revised Code

Section 4141.23 Employer contributions - payments in lieu of contributions.

Effective: September 30, 2025

Legislation: House Bill 96

(A) Contributions shall accrue and become payable by each employer for each calendar year or other period as prescribed by this chapter. Such contributions become due and shall be paid by each employer to the director of job and family services for the unemployment compensation fund in accordance with such regulations as the director prescribes, and shall not be deducted, in whole or in part, from the remuneration of individuals in the employer's employ.

In the payment of any contributions, a fractional part of a dollar may be disregarded unless it amounts to fifty cents or more, in which case it may be increased to the next higher dollar.

(B)(1) Any contribution, payment in lieu of contribution, interest, forfeiture, or fine due from an employer on or before December 31, 2025, shall, if not paid when due, bear interest at the annual rate of fourteen per cent compounded monthly on the aggregate receivable balance due. In such computation any fraction of a month shall be considered as a full month.

(2) Any contribution, payment in lieu of contribution, interest, forfeiture, or fine due from an employer on or after January 1, 2026, shall, if not paid when due, bear interest at the interest rate established by the state tax commissioner pursuant to section 5703.47 of the Revised Code, not exceeding fifteen per cent. In such computation any fraction of a month shall be considered as a full month.

(C) The director may waive the interest assessed under division (B) of this section if the employer meets all of the following conditions within thirty days after the date the director mails or delivers the notice of assessment of interest:

(1) Provides to the director a written request for a waiver of interest clearly demonstrating that the employer's failure to timely pay contributions, payments in lieu of contributions, interest, forfeiture, and fines was a result of circumstances beyond the control of the employer or the employer's agent, except that negligence on the part of the employer or the employer's agent shall not be considered



beyond the control of the employer or the employer's agent;

(2) Furnishes to the director all quarterly reports required under section 4141.20 of the Revised Code;

(3) Pays in full all contributions, payments in lieu of contributions, interest, forfeiture, and fines for each quarter for which such payments are due.

The director shall deny an employer's request for a waiver of interest after finding that the employer's failure to timely furnish reports or make payments as required under this chapter was due to an attempt to evade payment.

(D) Any contribution, interest, forfeiture, or fine required to be paid under this chapter by any employer shall, if not paid when due, become a lien upon the real and personal property of such employer. Upon failure of such employer to pay the contributions, interest, forfeiture, or fine required to be paid under this chapter, the director shall file notice of such lien, for which there shall be no charge, in the office of the county recorder of the county in which it is ascertained that such employer owns real estate or personal property. The director shall notify the employer by mail of the lien. The absence of proof that the notice was sent does not affect the validity of the lien. Such lien shall not be valid as against the claim of any mortgagee, pledgee, purchaser, judgment creditor, or other lienholder of record at the time such notice is filed.

If the employer acquires real or personal property after notice of lien is filed, such lien shall not be valid as against the claim of any mortgagee, pledgee, subsequent bona fide purchaser for value, judgment creditor, or other lienholder of record to such after-acquired property, unless the notice of lien is refiled after such property was acquired by the employer and before the competing lien attached to such after-acquired property or before the conveyance to such subsequent bona fide purchaser for value.

Such a notice shall be recorded in the county recorder's official records and indexed in the direct and reverse indexes under the name of the employer. When such unpaid contributions, interest, forfeiture, or fines have been paid, the employer may record with the county recorder of the county in which such notice of lien has been filed and recorded, notice of such payment, and the notice of



payment shall be recorded in the county recorder's official records and indexed in the direct and reverse indexes. For recording the notice of payment, the county recorder shall charge and receive from the employer a base fee of two dollars for services and a housing trust fund fee of two dollars pursuant to section 317.36 of the Revised Code.

(E) Notwithstanding other provisions in this section, the director may reduce, in whole or in part, the amount of interest, forfeiture, or fines required to be paid under this chapter if the director determines that the reduction is in the best interest of the unemployment compensation fund.

(F) Assessment of contributions shall not be made after four years from the date on which such contributions became payable, and no action in court for the collection of contributions without assessment of such contributions shall be begun after the expiration of five years from the date such contributions became payable. In case of a false or fraudulent report or of a willful attempt in any manner to evade contributions, such contributions may be assessed or a proceeding in court for the collection of such contributions may be begun without assessment at any time. When the assessment of contributions has been made within such four-year period provided, action in court to collect such contributions may be begun within, but not later than, six years after such assessment.

(G) In the event of a distribution of an employer's assets, pursuant to an order of any court under the law of this state, including any receivership, assignment for benefit of creditors, adjudicated insolvency, or similar proceedings, contributions, interest, forfeiture, or fine then or thereafter due have the same priority as provided by law for the payment of taxes due the state and shall be paid out of the trust fund in the same manner as provided for other claims for unpaid taxes due the state.

(H) If the attorney general finds after investigation that any claim for delinquent contributions, interest, forfeitures, or fines owing to the director is uncollectible, in whole or in part, the attorney general shall recommend to the director the cancellation of such claim or any part thereof. The director may thereupon effect such cancellation.