



Ohio Revised Code

Section 5747.061 Withholding tax from wages of nonresident employees.

Effective: March 27, 2020

Legislation: House Bill 197 - 133rd General Assembly

(A) As used in this section:

(1) "State agency" means the general assembly, all courts, any department, division, institution, board, commission, authority, bureau, or other instrumentality of the state.

(2) "Political subdivision" means a county, municipal corporation, township, school district, or other body corporate and politic responsible for governmental activities in a geographic area smaller than that of the state.

(3) "Legislative authority" means the board of county commissioners, the legislative authority of a municipal corporation, the board of township trustees, the board of education, or the board, council, commission, or other governing body of any other political subdivision.

(4) "Fiscal officer" means the county auditor, the treasurer of the municipal corporation, the clerk-treasurer of a village, or the officer who, by virtue of the charter, has the duties of the treasurer or clerk-treasurer, the township fiscal officer, the treasurer of the board of education, or, in the case of any state agency or other subdivision, the officer or person responsible for deducting and withholding from the compensation paid to an employee who is a taxpayer the amount of tax required to be withheld by section 5747.06 of the Revised Code.

(B)(1) The director or other chief administrator of any state agency, in accordance with rules adopted by the department of administrative services, may direct its fiscal officer to deduct and withhold from the compensation paid to an employee who is a resident of a state with which the commissioner has entered into an agreement under division (A)(2) of section 5747.05 of the Revised Code, a tax computed in such a manner as to result, as far as practicable, in withholding from the compensation of the employee during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due under the income tax laws of the state of residence of the employee with respect to the amount of such compensation included in gross income during the calendar year under those



laws.

(2) The legislative authority of a political subdivision may adopt a rule, ordinance, or resolution requiring the fiscal officer of the political subdivision to deduct and withhold from the compensation paid to an employee who is a resident of a state with which the tax commissioner has entered into an agreement under division (A)(2) of section 5747.05 of the Revised Code, a tax computed in such a manner as to result, as far as practicable, in withholding from the compensation of the employee during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due under the income tax laws of the state of residence of the employee with respect to the amount of such compensation included in gross income during the calendar year under those laws.

(3) Upon direction of the director or other chief administrator of a state agency, or adoption of a rule, ordinance, or resolution by a political subdivision under this division, the fiscal officer shall obtain from the official responsible for administering the income tax laws of the state of residence of the employee, information necessary to enable the fiscal officer to withhold the proper amount of tax from the compensation of the employee for the calendar year.

(C) A fiscal officer who deducts and withholds tax from the compensation of a nonresident employee shall file a withholding return or other report and pay the full amount of the tax deducted and withheld as required by the income tax laws of the state of residence of the employee.

(D) A fiscal officer who deducts and withholds tax from the compensation of a nonresident employee shall furnish to that employee and to the official who is responsible for administering the income tax laws of the state of residence of the employee, a written statement showing the amount of compensation paid to the employee and the amount deducted and withheld from the compensation of the employee during the calendar year. The statement shall be furnished on or before the last day of January of the succeeding year, except that, with respect to an employee whose employment is terminated, the statement for the calendar year in which the last payment of compensation is made shall be furnished within thirty days from the date the last payment of compensation is made.