



Ohio Revised Code

Section 5747.065 Income tax withholding from unemployment compensation benefits.

Effective: April 3, 2023

Legislation: Senate Bill 302 - 134th General Assembly

(A) If a taxpayer has elected under section 4141.321 of the Revised Code to have the director of job and family services deduct and withhold state income tax from the unemployment compensation benefits payable to the taxpayer, the director shall deduct and withhold such tax at the rate or rates that the director shall prescribe in consultation with the tax commissioner.

(B)(1) On or before the tenth day of each month, the director of job and family services shall file a return electronically with the tax commissioner, in the form prescribed by the commissioner. With the return, the director shall remit electronically to the commissioner all the amounts deducted and withheld under this section during the preceding month.

(2) On or before the thirty-first day of January of each year, beginning in 2026, the director shall electronically file an annual return with the commissioner, in the form prescribed by the commissioner, indicating the total amount deducted and withheld under this section during the preceding calendar year. At the time of filing that return, the director shall remit any amount deducted and withheld during the preceding calendar year that was not previously remitted.

(3) Annually, on or before the thirty-first day of January, the director shall issue an information return to each taxpayer with respect to whom an amount has been deducted and withheld under this section during the preceding calendar year. The information return shall show the total amount deducted from the taxpayer's unemployment compensation benefits during the preceding calendar year and any other information the tax commissioner requires. If the director is required under the Internal Revenue Code to report federal income tax deducted and withheld from unemployment compensation benefits, then the director may report the information required under this section on that report, as authorized by the Internal Revenue Code.

(4) Annually, on or before the thirty-first day of January, beginning in 2026, the director shall provide to the commissioner a copy of each information return issued under division (B)(3) of this



section for the preceding calendar year. The commissioner may require that the copies be transmitted electronically.

(C) Failure of the director to deduct and withhold the required amounts from unemployment compensation benefits or to remit amounts withheld as required by this section does not relieve a taxpayer from liability for the tax imposed by section 5747.02 of the Revised Code.

(D) The director of job and family services may adopt rules as necessary to administer this section.