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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 519  
134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 519's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. Roemer and Lanese

**Local Impact Statement Procedure Required:** No

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The bill revises Ohio law regarding municipal income tax extensions and the penalty for failure to timely file municipal income taxes.

Under current law, the penalty for failure to file a timely municipal income tax return cannot exceed \$150. The bill specifies that the penalty shall not exceed the lesser of 50% of the unpaid tax or \$150. This provision is likely to reduce municipal income tax revenue, with the reduction variable and depending on the municipality. However, in most cases, the fiscal loss would likely be small.

Under continuing law, any taxpayer that has duly requested an automatic six-month extension for filing their federal income tax return automatically receives an extension for the filing of state and municipal income tax returns. Alternatively, a taxpayer may request that a six-month extension of the date for filing the taxpayer's municipal income tax return be granted by the municipal tax administrator. If the request is received on or before the date the municipal income tax return is due, the tax administrator is to grant the requested extension.

The bill prohibits a municipal tax administrator (including the Tax Commissioner for purposes of the state-administered municipal net profits taxes) from making an inquiry or sending a notice to the taxpayer with regards to the return before the extended due date of the return, if a taxpayer receives an extension for filing a municipal income tax return. The prohibition does not apply if the tax administrator has actual knowledge that the taxpayer did not apply for an extension.