

INSTRUCTIONS FOR FILING FORM W-1

WHO MUST FILE

Each employer within or doing business within the city of **Wickliffe**, who employs one or more employees on a salary, wage, commission, or other compensation basis, shall deduct, from such compensation earned and paid the tax at the rate that is in effect when such compensation is earned. The tax is to be computed on the **GROSS** amount of such compensation. Each employer shall make his return of Form W-1 to the Income Tax Dept. and pay to the City the amount of taxes he has deducted or should have deducted, on or before the day shown on the front of this form. No person shall be required to withhold tax on wages or other compensation paid to persons under 18 years of age.

RATE OF TAX

The present rate of tax is **2%** of all taxable income.

DEFINITION OF EMPLOYER

The term "employer" means an individual, partnership, association, corporation, governmental body or unit or agency, or any other entity whether or not organized for profit, who or that employs one or more persons on a salary, wage, commission or other compensation basis.

ADJUSTMENTS

If an error in withholding has been made in a previous period, the employer should make the proper adjustment and report only such adjusted total on the face of this return. In the case of an error not discovered until a subsequent tax year, report the circumstances to the tax office and correction procedures will be outlined.

INTEREST

All taxes unpaid after they have become due bear interest from the due date, at the rate of 1.5% per month or fraction thereof, until paid.

PENALTIES

1. **LATE FILING**-There is imposed a penalty of 10.0% of the unpaid tax for each month or fraction thereof, after said tax became due. If an employer's return is late he may compute the penalty and interest and list them below the tax due entry on the face of this return. His remittance must cover the tax plus the penalty and interest. If the employer prefers he may pay only the amount of tax, in which case an assessment will be sent for the amount of penalty and interest due thereon.
2. **FAILURE TO FILE**-An employer who fails to deduct, withhold and/or remit the tax of an employee, or who shall attempt to do anything whatever to avoid the payment of the whole or any part of the tax shall be guilty of a misdemeanor. The failure of any employer to receive or procure a return form shall not excuse him from making a return or from paying the tax.