



Municipal Income Tax Electronic Filing Services

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Terms of Service for Municipalities

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The Ohio Department of Taxation has promulgated proposed administrative rule #5703-1-15 to define the role and use of the Ohio Business Gateway for municipal income tax return filing and related payment of taxes. This updated Terms of Service reflects the provisions of that rule.

1. Definitions

- “OBG” refers to the Ohio Business Gateway. It is defined in Ohio Revised Code section (ORC) 718.051 and includes staff and/or contracted service providers.
- “Municipalities” refer to the tax administrators, finance officers, auditors, or similar staff, designees, and/or third parties responsible for the administration of municipal income taxes.
- “Business days” are days when State of Ohio government offices are open for business. The state’s business calendar is generally aligned with the banking industry’s business calendar. Business days begin and end at midnight.
- OBG’s Municipal Income Tax Electronic Filing Services and the use of the phrases “municipal income tax” and “municipal income taxes” are limited to the following business taxes and forms as set forth in ORC 718.051:
 1. Income Taxes on Net Profits
 - Requests for Extensions of time to file Net Profits Returns due after January 1, 2005.
 - Estimated payments of net profits taxes for taxable years beginning on or after January 1, 2005.
 - Net Profits Returns for taxable years beginning on or after January 1, 2005.
 2. Employer Withholding Taxes
 - Payments and reports of municipal income tax withheld from qualifying wages paid on or after January 1, 2007.

2. General

1. OBG’s Municipal Income Tax Electronic Filing Services is not a substitute for existing tax administration systems of record in use at the municipalities. OBG

- collects and forwards to tax administrators tax and payment information as provided by taxpayers; OBG does not administer or audit municipal income taxes.
2. Municipalities are required to provide a Municipal Profile Certification to OBG that includes information about the municipality's taxes, contacts, and banking partners. Municipalities must notify OBG of any changes to their profile as soon as such changes are known and/or not less than 30 days before such changes are effective. Some changes, including changes to a municipality's banking partner, may require additional time beyond 30 days to fully implement within OBG. To help insure the accuracy of information on file with OBG, OBG may also request periodic confirmation of the profile.
 3. OBG provides only the municipal income tax services set forth in this document.
 4. These terms of service are subject to future revision and approval of the OBG Steering Committee. OBG will communicate to the municipalities future updates according to the contact information provided in the municipal profile.
 5. Inquiries regarding the Municipal Income Tax Electronic Filing Services, Terms of Service, and municipal profiles should be directed to the Office of the Program Director at the address listed above.

3. Banking/NACHA Files

1. OBG makes available to municipalities, through secure electronic mailboxes, a NACHA file with payment instructions as collected from taxpayers during the course of their filing activities. OBG will format the NACHA files based on specifications provided by the municipality's partner bank. Each municipality will assist OBG with obtaining NACHA file specifications and other set-up information from the municipality's partner bank.
2. OBG, in its capacity as a data collection and dissemination facility for municipalities, will comply with the rules of the National Automated Clearing House Association as they apply to the OBG. This compliance includes, but is not limited to, appropriate warranties to the municipality that transaction information in the NACHA files provided by OBG is properly obtained, properly authorized by the taxpaying company under the authorization provisions of the ACH Rules, and accurately recorded. OBG warrants that OBG will adhere to the requirements of the ACH rules relating to the retention of authorization copies and that the retained information is stored securely and is retrievable upon request.
3. NACHA files will generally be available for download from the municipality's secure electronic mailbox by 10:00 AM each business day. NACHA files will contain payment transactions associated with corresponding tax data records that are part of the municipality's Activity Report file for that day. Every effort will be made to insure the accuracy and integrity of the NACHA files, and such efforts may result in situations where the files are not available on this schedule. OBG is not responsible for bank processing delays resulting from the delayed delivery of NACHA files.
4. Each municipality retains full ownership of and responsibility for its bank account and for its customer relationship with its partner bank. The municipality's banking relationship must include an ACH origination service as offered by the

- partner bank. Any fees related to processing the ACH transactions that are part of the banking relationship are the responsibility of the municipality.
5. OBG does not provide any reporting regarding the processing of ACH payments through the partner banks. Bank account and transaction reporting, including rejected or excepted payment transactions, is the sole responsibility of the partner bank as part of their services to the municipality.
 6. Each municipality retains sole responsibility for delivering NACHA files to its partner bank according to the instructions provided by the bank to the municipality.
 7. OBG is not responsible for the handling, storage, or security of NACHA files that have been retrieved by any municipality.

4. Tax Data Records and Activity Report Files

1. OBG makes available to municipalities, through the secure electronic mailboxes, an Activity Report. A separate document outlines the specific data available in the Activity Report for each electronic form submitted through OBG, as well as the format of that data as it appears in the report file. In general, the Activity Reports contain tax data as collected from taxpayers during the course of their filing activities, information to identify the business that is filing, a timestamp, and transaction/filing identification numbers.
2. Activity Report files will generally be available for download from the municipality's secure electronic mailbox by 10:00 AM each business day. Activity Reports generally contain tax data records and transactions recorded from the start of the prior business day until the start of the current business day, but in some cases a report may contain activity from a prior day (e.g. deferred filings or other exceptions). Every effort will be made to insure the accuracy and integrity of the Activity Report files, and such efforts may result in situations where the files are not available on this schedule.
3. Each municipality retains full responsibility for recording the tax data records within its tax administration systems of record.
4. OBG is not responsible for the handling, storage, or security of Activity Report files that have been retrieved by any municipality.

5. Secure Electronic Mailboxes

1. OBG makes all Activity Report files and NACHA files available through an internet accessible, secure electronic mailbox.
2. OBG strongly recommends that municipalities retrieve their Activity Report files and NACHA files on a daily basis.
3. Municipalities must not retrieve daily NACHA files without retrieving the corresponding daily Activity Report files, and vice versa.
4. OBG is not responsible for the continued storage of Activity Report files or NACHA files not retrieved within 30 calendar days from the date of creation. Files older than 30 days may be deleted without notice.

5. Municipalities must safeguard passwords. OBG is not responsible for unauthorized access to a secure electronic mailbox because of a municipality's insufficient safeguarding of a password.

6. Taxpayer Customer Service

1. OBG will provide customer service to taxpayers regarding their use of the OBG Municipal Income Tax Electronic Filing Services. Customer services will be limited to questions and issues concerning the navigation and use of the online Municipal Income Tax Electronic Filing Services (forms).
2. Municipalities will retain full responsibility for providing customer service to taxpayers concerning all matters associated with tax administration systems of record. This responsibility includes, but is not limited to, matters related to taxpayer account status, interpretation and application of tax rules and laws, and the administration of any municipal income tax.