

ORDINANCE NO. OR29-22

AN ORDINANCE BY THE TROTWOOD CITY COUNCIL REPEALING OLD SECTION 184.053 “COLLECTION AT SOURCE; CASINO AND VLT” OF THE CODIFIED ORDINANCES OF THE CITY OF TROTWOOD, STATE OF OHIO, AND ENACTING A NEW SECTION 184.053 “COLLECTION AT SOURCE; CASINO, VLT, AND SPORTS GAMING WINNINGS” TO INCLUDE THE COLLECTION OF WITHHOLDING ON SPORTS GAMING WINNINGS, AND DECLARING AN EMERGENCY.

WHEREAS, the General Assembly has, by Ohio H.B. 29, determined that sports gaming should be legalized and regulated in Ohio; and

WHEREAS, the City of Trotwood Income Tax Administrator recommends changes to the Trotwood Income Tax Code to address income tax withholding for sports gaming; and

WHEREAS, City Council accepts the recommendation of the Income Tax Administrator; and

WHEREAS, for the immediate preservation of the public peace, health, safety, and welfare of the residents of the City of Trotwood and to prevent the loss of significant income tax revenue, it is necessary that this Ordinance take immediate effect.

NOW, THEREFORE, BE IT ORDAINED BY A VOTE OF FIVE (5) MEMBERS OF THE COUNCIL THE CITY OF TROTWOOD, STATE OF OHIO:

**SECTION I:** Section 184.053 “Collection at Source; Casino and VLT” of the Codified Ordinances of the City of Trotwood, State of Ohio, is hereby repealed in its entirety.

**SECTION II:** A new section 184.053 “Collection at Source; Casino, VLT, and Sports Gaming Winnings” is hereby enacted to read as set forth in Exhibit A attached hereto and incorporated herein by reference, with additions in **bold** and underscored and deletions in ~~strike through~~.

**SECTION III:** The Trotwood City Council declares that an emergency exists so to protect the public peace, health, safety, and welfare of the City’s residents and to prevent the loss of significant income tax revenue, which therefore requires the expedited implementation of this legislation.

TROTWOOD, OHIO 45426

3035 OLIVE ROAD

CITY OF TROTWOOD

TROTWOOD, OHIO 45426

3035 OLIVE ROAD

CITY OF TROTWOOD

**SECTION IV:**

It is hereby found and determined that all formal action of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that any and all deliberations of this Council that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including but not limited to Section 121.22 of the Ohio Revised Code.

**SECTION V:**

In accordance with Section 4-6 of the Charter of the City of Trotwood, State of Ohio, this Ordinance shall take effect immediately upon its adoption by Council.

Passed this 5th day of December, 2022.

ATTEST:

APPROVED:



KARA B. LANDIS  
CLERK OF COUNCIL



MARY A. MCDONALD  
MAYOR



YVETTE F. PAGE  
VICE-MAYOR

**CERTIFICATE OF RECORDING OFFICER**

I, the undersigned, hereby certify that the foregoing is a true and correct copy of Ordinance No. **OR29-22** adopted by the Trotwood City Council at a regular scheduled meeting held on the **5th** day of **December, 2022**, and that I am duly authorized to execute this certificate.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
KARA B. LANDIS  
CLERK OF COUNCIL

184.053 COLLECTION AT SOURCE; CASINO, ~~AND~~ VLT, AND SPORTS GAMING WINNINGS.

(A) The Municipality ~~shall require~~ each a casino facility or a casino operator, as defined in Section 6(C)(9) of Article XV, Ohio Constitution, and section 3772.01 of the Ohio Revised Code, respectively; ~~each~~ ~~or~~ a lottery sales agent conducting video lottery terminals sales on behalf of the state; and each or a type B sports gaming proprietor facility or sports gaming proprietor, as those terms are defined in section 3775.01 of the Ohio Revised Code. to withhold and remit municipal income tax with respect to amounts other than qualifying wages as provided in this section and section 718.031 of the Ohio Revised Code.

(B) If a person's winnings at a casino facility or sports gaming facility are an amount for which reporting to the ~~Internal R~~evue ~~S~~ervice of the amount is required by section 6041 of the Internal Revenue Code, as amended, the casino operator or sports gaming proprietor shall deduct and withhold municipal income tax from the person's winnings at the rate of the tax imposed by the municipal corporation in which the casino facility or sports gaming facility is located.

(C) Amounts deducted and withheld by a casino operator or sports gaming proprietor are held in trust for the benefit of the municipal corporation to which the tax is owed.

(1) On or before the tenth day of each month, the casino operator or sports gaming proprietor shall file a return electronically with the Tax Administrator of the Municipality, providing the name, address, and social security number of the person from whose winnings amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the winnings from which each such amount was withheld, the type of casino gaming or sports gaming that resulted in such winnings, and any other information required by the Tax Administrator. With this return, the casino operator or sports gaming proprietor shall remit electronically to the Municipality all amounts deducted and withheld during the preceding month.

(2) Annually, on or before the thirty-first day of January, a casino operator or sports gaming proprietor shall file an annual return electronically with the Tax Administrator of the municipal corporation in which the casino facility or sports gaming proprietor is located, indicating the total amount deducted and withheld during the preceding calendar year. The casino operator or sports gaming proprietor shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.

(3) Annually, on or before the thirty-first day of January, a casino operator or sports gaming proprietor shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted from the person's winnings during the preceding year. The casino operator or sports gaming proprietor shall provide to the Tax Administrator a copy of each information return issued

under this division. The administrator may require that such copies be transmitted electronically.

(4) A casino operator **or sports gaming proprietor** that fails to file a return and remit the amounts deducted and withheld shall be personally liable for the amount withheld and not remitted. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.

(5) If a casino operator **or sports gaming proprietor** sells the casino facility **or sports gaming facility** or otherwise quits the casino **or sports gaming** business, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld along with any penalties and interest thereon until the predecessor casino operator **or sports gaming proprietor** produces either of the following:

(a) A receipt from the Tax Administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;

(b) A certificate from the Tax Administrator indicating that no amounts are due.

If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.

(6) The failure of a casino operator **or sports gaming proprietor** to deduct and withhold the required amount from a person's winnings does not relieve that person from liability for the municipal income tax with respect to those winnings.

(D) If a person's prize award from a video lottery terminal **or from lottery sports gaming offered in a video lottery terminal facility** is an amount for which reporting to the Internal Revenue Service is required by section 6041 of the Internal Revenue Code, as amended, the video lottery sales agent shall deduct and withhold municipal income tax from the person's prize award at the rate of the tax imposed by the municipal corporation in which the video lottery terminal facility is located.

(E) Amounts deducted and withheld by a video lottery sales agent are held in trust for the benefit of the municipal corporation to which the tax is owed.

(1) The video lottery sales agent shall issue to a person from whose prize award an amount has been deducted and withheld a receipt for the amount deducted and withheld, and shall obtain from the person receiving a prize award the person's name, address, and social security number in order to facilitate the preparation of returns required by this section.

(2) On or before the tenth day of each month, the video lottery sales agent shall file a return electronically with the Tax Administrator of the Municipality providing the names, addresses, and social security numbers of the persons from whose prize awards amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the prize award from which each such

amount was withheld, and any other information required by the Tax Administrator. With the return, the video lottery sales agent shall remit electronically to the Tax Administrator all amounts deducted and withheld during the preceding month.

(3) A video lottery sales agent shall maintain a record of all receipts issued under division (E) of this section and shall make those records available to the Tax Administrator upon request. Such records shall be maintained in accordance with section 5747.17 of the Ohio Revised Code and any rules adopted pursuant thereto.

(4) Annually, on or before the thirty-first day of January, each video lottery terminal sales agent shall file an annual return electronically with the Tax Administrator of the municipal corporation in which the facility is located indicating the total amount deducted and withheld during the preceding calendar year. The video lottery sales agent shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.

(5) Annually, on or before the thirty-first day of January, a video lottery sales agent shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted and withheld from the person's prize award by the video lottery sales agent during the preceding year. A video lottery sales agent shall provide to the Tax Administrator of the municipal corporation a copy of each information return issued under this division. The Tax Administrator may require that such copies be transmitted electronically.

(6) A video lottery sales agent who fails to file a return and remit the amounts deducted and withheld is personally liable for the amount deducted and withheld and not remitted. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.

(F) If a video lottery sales agent ceases to operate video lottery terminals, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor of the video lottery sales agent that purchases the video lottery terminals from the agent shall withhold an amount from the purchase money that is sufficient to cover the amounts deducted and withheld and any penalties and interest thereon until the predecessor video lottery sales agent operator produces either of the following:

(1) A receipt from the Tax Administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;

(2) A certificate from the Tax Administrator indicating that no amounts are due.

If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.

(G) The failure of a video lottery sales agent to deduct and withhold the required amount from a person's prize award does not relieve that person from liability for the municipal income tax with respect to that prize award.

(H) If a casino operator, **sports gaming proprietor**, or lottery sales agent files a return late, fails to file a return, remits amounts deducted and withheld late, or fails to remit amounts deducted and withheld as required under this section, the Tax Administrator of a municipal corporation may impose the following applicable penalty:

(1) For the late remittance of, or failure to remit, tax deducted and withheld under this section, a penalty equal to fifty per cent of the tax deducted and withheld;

(2) For the failure to file, or the late filing of, a monthly or annual return, a penalty of five hundred dollars for each return not filed or filed late. Interest shall accrue on past due amounts deducted and withheld at the rate prescribed in section 5703.47 of the Ohio Revised Code.

(I) Amounts deducted and withheld on behalf of a municipal corporation shall be allowed as a credit against payment of the tax imposed by the municipal corporation and shall be treated as taxes paid for purposes of section 184.07 of this Chapter. This division applies only to the person for whom the amount is deducted and withheld.

(J) The Tax Administrator shall prescribe the forms of the receipts and returns required under this section.