Income Tax Information

**W2 STATEMENTS; W3 RECONCILIATION FORMS**

On or before the last day of February following the calendar year in which taxes were

withheld

**CALENDAR YEAR NET PROFITS; INDIVIDUAL TAX RETURN Due April 15th**

When April 15th falls on a Saturday, Sunday or legal holiday, the annual tax return is

considered timely filed with a postmark of April 15th.

**FISCAL YEAR ANNUAL NET PROFITS**

15th day of the fourth month following the taxpayer's fiscal year-end

WITHHOLDING MONTHLY FILERS

15th day of the following month

**WITHHOLDING QUARTERLY FILERS**

On or before the last day of the month following the last day of each calendar quarter

**WITHHOLDING SEMI-MONTHLY FILERS**

Taxes withheld in the first 15 days of the month are due by the third banking day after

the 15th of the month

Taxes withheld from the 16th day of the month, to the end of the month, are due by the

third banking day after the last day of that month.

**INDIVIDUAL ESTIMATED PAYMENTS**

APRIL 15TH, JUNE 15TH, SEPTEMBER 15TH, JANUARY 15TH

CALENDAR YEAR NET PROFIT QUARTERLY ESTIMATED PAYMENTS

APRIL 15TH, JUNE 15TH, SEPTEMBER 15TH, DECEMBER 15TH

FISCAL YEAR NET PROFIT QUARTERLY ESTIMATED PAYMENTS

15TH OF THE FOURTH, SIXTH, NINTH, TWELFTH MONTH OF TAXABLE YEAR

**New London Tax Information**

New London Tax Facts

Tax Rate: 1.5% ( Renewed until 12/31/26)

Tax Credit for Taxes Paid To Other Cities: 1%

**Mandatory filing for:**

All residents of New London, age 18 and older (including retirees).

All individuals or companies operating a business within the city limits of New London.

Individual and calendar year business annual income tax returns are due each year on

or before April 15th or the Federal tax return date, whichever is later.

Supporting documentation required when filing Village of New London return:

Copy of the front page of Federal 1040

W-2 forms showing Box 5 and local income tax withheld

Any federal schedules that relate to business activities including rental property

**Interest Rate Information**

* Interest rate for tax year 2022 is 7% or .583 monthly (Calculated based on federal short term rate (2%) plus 5%)

● Interest rate for 2021 is 5% per annum or .42% per month

● Interest rate for tax year 2020 is 7% or .583 monthly (Calculated based on

federal short term rate plus 5%)

● Interest rate for tax year 2019 and 2020 is 7% or .583 monthly (Calculated based

on federal short term rate plus 5%)

● Interest rate for tax year 2018 is 6% (Calculated based on federal short term rate

plus 5%)

● Interest rate for tax year 2017 is 6%

● Interest rate for tax year 2016 is 5%

● Ohio Revised Code 718.27 requires that municipalities set the interest rate for

delinquent unpaid tax liabilities at the federal short-term rate (rounded to the

nearest whole number percent) plus 5 percent (5%). Interest shall be imposed

per annum on all unpaid income tax, unpaid estimated income tax, and unpaid

withholding tax. The interest rate shall apply to the calendar year following the

July of the year in which the federal short-term rate is determined.

Income Tax Penalty and Interest: As required by Ohio Revised Code effective

1/1/2016 for tax years 2016 and greater, the Village of New London is releasing the

mandated interest and penalty charges.

Per the Ohio Revised Code, 718.27 operative 1/1/2016:

“Federal short-term rate” means the rate of the average market yield on outstanding

marketable obligations to the United States with remaining periods of maturity of three

years or less, as determined under section 1274 of the Internal Revenue Code for July

of the current year.

“Interest rate as described in division (A) of this section” means the federal short-term

rate, rounded to the nearest whole number per cent, plus five per cent. The rate shall

apply for the calendar year next following July of the year in which the federal short-term

rate is determined in accordance with division (A)(4) of this section.

● The Federal Short Term Rate is available on the following webpage:

http://apps.irs.gov/app/picklist/list/federalRates.html

● For July 2016, the Annual Short-term AFR is 0.71% so the annual interest rate

for tax year 2017 tax obligations will be 6% annually or 0.500% per month (or

part thereof) of the tax not paid by the due date.

● This interest rate of 0.500% per month (or part thereof) will be in effect for

withholding tax for tax year 2017 not paid by the due date.

● The Federal Short Term Rate for July 2020, is 0.18%. This would make the

interest rate for 2021 five percent (5%) per annum or one half of one percent

(.42%) per month