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134th General Assembly  
Regular Session  
2021-2022

Sub. H. B. No. 157

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**A BILL**

To amend Section 29 of H.B. 197 of the 133rd  
General Assembly to modify municipal income tax  
employer withholding rules for COVID-19-related  
work-from-home employees.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That Section 29 of H.B. 197 of the 133rd  
General Assembly be amended to read as follows:

**Sec. 29.** (A) Notwithstanding section 718.011 of the  
Revised Code, and for the purposes of Chapter 718. of the  
Revised Code, ~~during the period of the emergency declared by~~  
~~Executive Order 2020-01D, issued on and after March 9, 2020, and~~  
~~for thirty days after the conclusion of that period~~but before  
January 1, 2022, any day on which an employee ~~performs~~is, in  
response to the COVID-19 pandemic, required by an employer to  
perform personal services at a location, including the  
employee's home, ~~to which the employee is required to report for~~  
~~employment duties because of the declaration~~ or other location  
that is not the employee's principal place of work shall be  
deemed to be a day performing personal services at the



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employee's principal place of work for the purpose of municipal 19  
income tax withholding under section 718.011 of the Revised Code 20  
and for the purpose of apportioning or situsing the employer's 21  
net profit under section 718.02 or 718.82 of the Revised Code. 22

(B) Nothing in this section prohibits an employer from 23  
assigning an employee to a new or different work location that 24  
may result in a change to the employee's principal place of work 25  
during the time period described in division (A) of this 26  
section. 27

(C) Nothing in this section prohibits an employer from 28  
withholding tax on an employee's qualifying wages in accordance 29  
with section 718.03 of the Revised Code. 30

(D) This section does not apply for purposes of 31  
determining the location at which a nonresident employee's work 32  
was completed, services were performed or rendered, or 33  
activities were conducted for the purpose of determining the 34  
employee's municipal income tax liability. 35

**Section 2.** That existing Section 29 of H.B. 197 of the 36  
133rd General Assembly is hereby repealed. 37

**Section 3.** It is the intent of the General Assembly to 38  
clarify that Section 29 of H.B. 197 of the 133rd General 39  
Assembly is intended to apply only to an employer's municipal 40  
income tax withholding responsibilities and to the apportionment 41  
or situsing of an employer's net profit, and not for purposes of 42  
determining the location at which a nonresident employee's work 43  
was completed, services were performed or rendered, or 44  
activities were conducted for purposes of determining the 45  
employee's municipal income tax liability. 46

**Section 4.** An employer shall not be assessed any tax, 47

penalty, or interest, including under section 718.27 of the Revised Code, for the failure to withhold municipal income tax from an employee's qualifying wages earned between March 9, 2020, and December 31, 2021, if the employer withheld and remitted tax on such wages to the municipal corporation in which the employee's principal place of work is located in accordance with Section 29 of H.B. 197 of the 133rd General Assembly, as enacted by that act and as amended by this act.

**Section 5.** The amendment or enactment by this act of Section 29 of H.B. 197 of the 133rd General Assembly and Sections 3 and 4 of this act is remedial in nature and apply to any municipal income tax withholding obligation incurred, and any qualifying wages earned, between March 9, 2020, and December 31, 2021.