

## **191.02 DEFINITIONS.**

As used in this Chapter, the following words shall have the meanings ascribed to them in this Section, except as and if the context clearly indicates or requires a different meaning.

(a) “Board of Review” means the Board created by and constituted as provided in Section 191.13.

(b) “Business” means an enterprise, activity, profession or undertaking of any nature conducted for profit or ordinarily conducted for profit, whether by an individual, pass-through entity, corporation or any other entity. “Business” conducted within the City includes the direct or indirect ownership of an interest in a pass-through entity that conducts business within the City.

(c) “City” means the City of Tiffin, Ohio.

(d) “Commissioner of Taxation” means the person so designated and appointed by the Director of Finance and approved by Council or the person executing the duties of the aforesaid Commissioner.

(e) “Compensation” means all salaries, wages, commissions and other remuneration for work done or services performed. For taxable years beginning on or after January 1, 2004, “compensation” of an employee means “qualifying wages,” within the meaning of Ohio Revised Code Section 718.03.

(f) “Corporation” means a corporation or joint stock association organized under the laws of the United States, the State of Ohio or any other state, territory, foreign country or dependency, or any unincorporated entity treated as a corporation for federal income tax purposes. For taxable years beginning on or after January 1, 2004, “corporation” includes a “combined company,” an “electric company” and a “telephone company,” all as defined in Ohio

Revised Code Section 5727.01.

(g) “Employer” means an individual, pass-through entity, corporation, governmental body, 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.

(h) “Fiscal year” means an accounting period of twelve months, ending on any day other than December 31.

(i) “Net profits” means the net gain from the operation of a business, profession or enterprise after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes and, in the case of a pass-through entity, without deduction of salaries paid to owners, or of taxes imposed by this Chapter and federal, state, municipal and other taxes based on income. For taxable years beginning on or after January 1, 2004, “net profits” means: (i) the case of a corporation, “adjusted federal taxable income,” as that term is defined in Ohio Revised Code Section 718.01(A)(1)(a)-(f); (ii) in the case of a pass-through entity, “adjusted federal taxable income,” as that term is defined in Ohio Revised Code Section 718.01(A)(1)(g); and (iii) in the case of a sole proprietorship, the profit shown by the individual on Internal Revenue Service Schedule C, Schedule E, and Schedule F.

(j) “Nonresident” means an individual domiciled outside the City.

(k) “Nonresident owner” means an individual domiciled outside the City who has a direct or indirect ownership interest in a pass-through entity that conducts business in the City and a corporation that has a direct or indirect ownership interest in a pass-through entity that conducts business in the City.

(l) "Owner" means an individual, partner, shareholder, member, or any other person having an ownership interest in a pass-through entity.

(m) "Pass-through entity" has the same meaning as provided in Ohio Revised Code Section 718.14(A)(2).

(n) "Person" means every natural person, pass-through entity, fiduciary, or corporation. Whenever used in any clause prescribing and imposing a penalty, the term "person" as applied to a pass-through entity, shall mean the owners thereof, and as applied to corporation, the officers thereof.

(o) "Resident" means an individual domiciled in the City.

(p) "Taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the net profits are to be computed under this Chapter and, in the case of a return for a fractional part of a year, the period for which such return is made. Unless approved by the Commissioner of Taxation, the taxable year of an individual shall be a calendar year.

(q) "Taxpayer" means a person, whether an individual, pass-through entity, or any corporation or other entity, the net profits or compensation of which are subject to the tax imposed by this Chapter, whether that tax is imposed on the entity itself or the owners of the entity. The singular shall include the plural, and the masculine shall include the feminine and neuter. (Ord. 03-46. Passed 8-4-03.)