



OCCUPATIONAL PAYROLL TAX



**EVERY EMPLOYER PAYING COMPENSATION TO AN
EMPLOYEE IS REQUIRED TO WITHHOLD AND REMIT
2.5% ON ALL GROSS WAGES EARNED WITHIN THE CITY
OF MADISONVILLE.**

RELATED FORMS

- Payroll Tax Return
- Payroll Tax Year End Return

FILING REQUIREMENTS

Every employer withholding occupational payroll taxes shall file a quarterly payroll return with the city and remit the payroll taxes withheld. Any employer whose gross payroll exceeds \$150,000 for a 3-month quarter shall file returns and remit withholding on a monthly basis on or before the 15th day of each month.

ANNUAL RECONCILIATION

Every employer who is required to withhold and remit occupational payroll taxes shall annually, on or before February 28 of each year, complete and file, on a form furnished or approved by the city, a reconciliation of the occupational license fee withheld on compensation paid or payable to employees. Either copies of the federal forms W-2 or W-3, transmittal of wage and tax statements, or a detailed employee listing with the required information shall be submitted.

FAILURE TO WITHHOLD

Every employer who fails to withhold or remit to the city any sums required to be withheld and paid shall be personally and individually liable to the city for any sum or sums withheld or required to be withheld. In cases where the employer does not withhold the occupational payroll tax from the employee (e.g., federal government employees), such employee or employees shall be responsible for filing with the city each quarter as if they were the employer.

FOR ADDITIONAL QUESTIONS, CONTACT:

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