



## Payroll Today! With Ahola: Understanding Ohio's City Tax Regulations for Employees Under 18

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Wednesday, April 24<sup>th</sup> 11:30 AM

**AHOLA**  
HR SOLUTIONS | PAYROLL

# Today's Presenter

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# Ahola Payroll & HR Solutions

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Family-Owned Payroll & HR Services provider headquartered in Brecksville, Ohio with over 55 years of payroll, tax, and HR experience



Processes over 60,000 payrolls annually, transmitting over \$4 billion in ACH funds for thousands of clients across the United States



Full range of Payroll and HR services and software as a Certified Partner of the isolved Network, an award-winning HCM software platform that serves 6 million employees nationwide

# Agenda

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Understanding the newly enacted legislation for the State of Ohio



The impact this change has on payroll procedures



Essential guidelines for hiring individuals under 18

# New Ohio Legislation Regarding Employees Under 18

On July 3, 2023, House Bill 33, the Ohio state budget bill was signed into law. Beginning with tax year 2024, the income of all individuals under 18 years of age will be exempt from municipal tax in all municipalities!





# Ohio and Local Taxes Defined

## 1. Ohio City Work Tax

- Required
- Employees under age 18 are exempt

## 2. Ohio City Residence Tax

- Voluntary
- Employees under age 18 are exempt

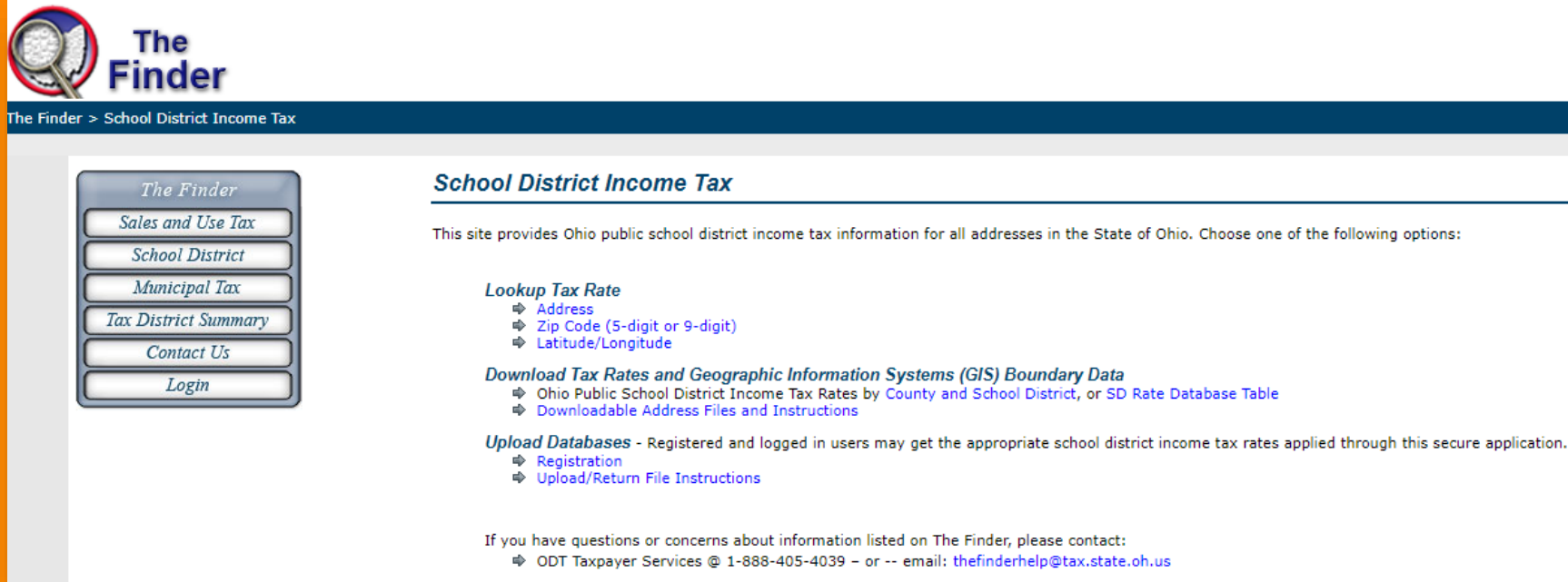
## 1. Ohio School District Tax

- Required
- Employees under age 18 are **NOT** exempt



# Verifying Ohio Local Taxes

- Ohio city work, city residence and school district taxes can easily be verified by accessing “The Finder” on the Ohio Department of Taxation Website
- <https://tax.ohio.gov/help-center/the-finder/the-finder>
- Ahola Clients can find site link in the Client Landing Page



The screenshot displays the 'The Finder' website interface. At the top left is the logo, which consists of a magnifying glass over a map of Ohio, with the text 'The Finder' next to it. Below the logo is a dark blue navigation bar with the text 'The Finder > School District Income Tax'. The main content area has a light gray background. On the left side of this area is a vertical sidebar with a gray background and rounded corners. It contains the text 'The Finder' at the top, followed by a list of buttons: 'Sales and Use Tax', 'School District', 'Municipal Tax', 'Tax District Summary', 'Contact Us', and 'Login'. The 'School District' button is highlighted. To the right of the sidebar, the title 'School District Income Tax' is displayed in a bold, dark blue font. Below the title is a horizontal line. The main text reads: 'This site provides Ohio public school district income tax information for all addresses in the State of Ohio. Choose one of the following options:'. There are three sections of links: 1. 'Lookup Tax Rate' with links for 'Address', 'Zip Code (5-digit or 9-digit)', and 'Latitude/Longitude'. 2. 'Download Tax Rates and Geographic Information Systems (GIS) Boundary Data' with links for 'Ohio Public School District Income Tax Rates by County and School District, or SD Rate Database Table' and 'Downloadable Address Files and Instructions'. 3. 'Upload Databases' with a note that registered and logged-in users can get tax rates applied through this secure application, and links for 'Registration' and 'Upload/Return File Instructions'. At the bottom, there is a contact section: 'If you have questions or concerns about information listed on The Finder, please contact:' followed by 'ODT Taxpayer Services @ 1-888-405-4039 - or -- email: [thefinderhelp@tax.state.oh.us](mailto:thefinderhelp@tax.state.oh.us)'.



# Implementing the Under Age 18 Ohio City Tax Exemption

Review and update employee records :

- Employees under 18 should be coded as exempt from Ohio city work and city residence taxes
- Employees who are 18 and over should not be coded as exempt---they should have Ohio city work and city residence taxes (if applicable) withheld
- Employees who are 18 and over should not be coded as exempt---they should



# Implementing the Under Age 18 Ohio City Tax Exemption



## **\*\*Notes for Ahola Clients\*\***

- Do not block Ohio city taxes
- Enter the Tax Exemption status type “City W/H (or Under 18)”
- Contact your dedicated Client Partner if the employee already has a Tax Exemption on their Tax screen
- Monitor employees when they turn Age 18 and remove the Tax Exemption—this is not automatic!



Department  
of Commerce  
Division of Industrial Compliance

STATE OF OHIO  
**MINOR LABOR LAWS**  
www.com.ohio.gov

Mike DeWine,  
Governor

Ed. Governor

Sheryl Masfield,  
Director

**OHIO REVISED CODE CHAPTER 4109\***

**"MINOR" MEANS ANY PERSON LESS THAN 18 YEARS OF AGE**

WORKING PERMITS: Every minor 14 through 17 years of age must have a working permit unless otherwise stated in Chapter 4109.

WAGE AGREEMENT: No employer shall give employment to a minor without agreeing with him/her as to the wages or compensation he/she shall receive for each day, week, month, year or per piece for work performed.

REST PERIODS: No employer shall employ a minor more than 5 consecutive hours without a rest period of at least 30 minutes.

LIST OF MINORS EMPLOYED: Employer shall keep a list of minors employed at each establishment and a list must be posted in a conspicuous place to which all minor employees have access.

TIME RECORDS: Every employer shall keep a time book or other written record showing actual starting and stopping time of each work and rest period. These records must be kept for two (2) years.

**RESTRICTIONS ON WORKING HOURS FOR MINORS 14 and 15 YEARS OF AGE**

No person under 16 shall be employed:

1. During school hours except where specifically permitted by Chapter 4109
2. Before 7 a.m. or after 9 p.m. from June 1<sup>st</sup> to September 1<sup>st</sup> or during any school holiday of 5 school days or more; or after 7 p.m. at any other time
3. For more than 3 hours a day in any school day
4. For more than 18 hours in any school week
5. For more than 8 hours in any day when school is not in session
6. For more than 40 hours in any week that school is not in session nor during school hours, unless employment is incidental to bona fide programs of vocational cooperative training, work-study, or other work-oriented programs with the purpose of educating students, and the program meets standards established by the state board of education.

**RESTRICTIONS ON WORKING HOURS FOR MINORS 16 and 17 YEARS OF AGE**

No person 16 or 17 who is required to attend school shall be employed:

1. Before 7 a.m. on any day that school is in session or 6 a.m. if the person was not employed after 8 p.m. the previous night
2. After 11 p.m. on any night preceding a day that school is in session.

**PROHIBITED OCCUPATIONS FOR MINORS UNDER 16 YEARS OF AGE**

1. All manufacturing, mining, processing, public messenger service
2. Work in freezers and meat coolers and all preparation of meats for sale (except wrapping, sealing, labeling, weighing, pricing and stocking)
3. Transportation, storage, communications, public utilities, construction, repair
4. Work in boiler or engine rooms, maintenance or repair of machinery
5. Outside window washing from window sills or scaffolding and/or ladders
6. Cooking and baking; operating, setting up, adjusting, cleaning, siling or repairing power-driven food slicers, grinders, food choppers, cutters, bakery type mixers
7. Loading or unloading goods to and from trucks
8. All warehouse work except office and clerical
9. Work in connection with cars and trucks involving the use of pits, racks or lifting apparatus or involving the inflation of any tire mounted on a rim equipped with a removable retaining ring.

**PROHIBITED OCCUPATIONS FOR MINORS 14 through 17 YEARS OF AGE**

- |   |  |
|---|--|
| 1. Occupations involving slaughtering, meat-packing, processing or rendering                            | 10. Power-driven woodworking machines                      |
| 2. Power-driven bakery machines   | 11. Coal mines   |
| 3. Occupations involved in the manufacture of brick, tile and kindred products                          | 12. Occupations in connection with mining, other than coal |
| 4. Occupations involved in the manufacture of chemicals   | 13. Logging and sawmilling                                 |
| 5. Manufacturing or storage occupations involving explosives  | 14. Motor vehicle occupations                              |
| 6. Occupations involving exposure to radioactive substances and to ionizing radiations                  | 15. Maritime and longshoreman occupations                  |
| 7. Power-driven paper products machines   | 16. Railroads  |
| 8. Power-driven metal forming, punching and shearing machines   | 17. Excavation operations                                  |
| 9. Occupations involved in the operation of power-driven circular saws, band saws and guillotine shears | 18. Power-driven and hoisting apparatus                    |
|   | 19. Hoisting operations                                    |
|   | 20. Wrecking, demolition, and shipbreaking.                |

**MINORS UNDER 16 YEARS OF AGE MAY NOT ENGAGE IN DOOR-TO-DOOR EMPLOYMENT UNLESS**

The for-profit employer is REGISTERED with the Ohio Department of Commerce. DOOR-TO-DOOR SALES EMPLOYERS SHALL:

1. Be in compliance with all applicable Ohio and Federal laws relating to the employment of minors
2. Provide at least one supervisor who is over the age of eighteen, for each six minor employees
3. Have been and be in compliance with Ohio's Motor Vehicle Financial Responsibility, Workers' Compensation, Unemployment Compensation, and all other applicable laws
4. Require all minors to work at least in pairs
5. Not employ any minor who does not have an appropriate Age and Schooling Certificate
6. Provide each minor employee with a photo identification card
7. Not employ any minor in any door-to-door sales activity during school hours except where specifically permitted
8. Not employ minors under 16 in door-to-door sales activity before 7 a.m. or after 7 p.m.
9. Not employ minors 16 and 17 years of age in door-to-door sales activity before 7 a.m. or after 8 p.m.

\*For Exceptions to Coverage See Chapter 4109.06

This is a summary of ORC 4109. This summary does not include all of the requirements for minor labor laws. Persons should refer to 4109 for specific requirements applicable to them. This information can be accessed through the Ohio Department of Commerce website at [www.com.ohio.gov](http://www.com.ohio.gov).

**POST IN A CONSPICUOUS PLACE**

For further information about Minor Labor issues, please contact: The Ohio Department of Commerce, Division of Industrial Compliance & Labor, 6606 Tussing Road, Reynoldsburg, OH 43068 Phone: 614-644-2239. TTY/TTD: 800-750-0750. An Equal Opportunity Employer and Service Provider (06/ 8/13/16)

# Guidelines for Hiring Individuals Under 18

- The rules vary by age and task. Some state child labor laws are inconsistent with the federal child labor provisions of the Fair Labor Standards Act. Where a state child labor law is less restrictive than the federal law, the federal law applies. Where a state child labor law is more restrictive than the federal law, the state law applies. Review the DOL website, Wage and Hour Division for more information.
- In most states, a work permit is necessary for anyone under the age of 18 to become legally employed. The purpose of this document is to ensure that the minor is not underage and is physically fit to work.
- Ohio requires that employers display child labor law posters and keep a list of minors employed at all establishments.

# Guidelines for Hiring Individuals Under 18



Minors must be paid at least state minimum wage. Wages must be agreed upon before employees first day of work.



Employers should keep a record for 2 years that contains the following information for each minor they employ:

- Their name, address and job
- The number of hours worked each day
- The time they began and ended workday
- Recorded meal periods
- Wages paid each period





# Allowed Work for Minors Age 14-15



If you are 14 or 15 years old, you **can only work outside of school hours**. The federal youth employment requirements limit the times of day and the number of hours that you may work as well. You may not work:

- More than 3 hours on a school day, including Friday;
- More than 18 hours per week when school is in session;
- More than 8 hours per day when school is not in session;
- More than 40 hours per week when school is not in session; and
- Before 7:00 a.m. or after 7:00 p.m. on any day, except from June 1 through Labor Day, when nighttime work hours are extended to 9:00 p.m.

If you are home schooled, attend private school, or no school, a “school day” or “school week” is any day or week when the public school where you live while employed is in session. There are some exceptions to the hours standards for 14- and 15 year-olds if you have graduated from high school, you are excused from compulsory school attendance, or you are enrolled in an approved Work Experience or Career Exploration Program or Work-Study Program.



# Allowed Work for Minors Age 14-15



If you are 14 or 15 years old, you can work outside school hours in a variety of non-manufacturing and non-hazardous jobs for limited periods of time and under specified conditions. The jobs that you are allowed to work at include the following:

- Most retail occupations, including cashiering, selling, price marking, packing and shelving;
- Intellectual or creative work such as computer programming, teaching, tutoring, singing, acting, or playing an instrument;
- Errands or delivery work by foot, bicycle and public transportation;
- Clean-up and yard work which does not include using power-driven mowers, cutters, trimmers, edgers, or similar equipment;
- Certain work in connection with cars and trucks, including dispensing gasoline or oil, and car washing or hand polishing
- Some kitchen and food service work including reheating food, washing dishes, cleaning equipment, and limited cooking;
- Cleaning vegetables and fruits, wrapping sealing, and labeling, weighing, pricing, and stocking of items when performed in areas separate from a freezer or meat cooler;
- Loading or unloading objects for use at a work site including rakes, hand-held clippers, and shovels;
- 14- and 15-year-olds who meet certain requirements can perform limited tasks in sawmills and woodshops; and
- 15-year-olds who meet certain requirements can perform lifeguard duties at traditional swimming pools and amusement parks.
- If an occupation is not specifically permitted, it is prohibited for youth ages 14 and 15.

# Allowed Work for Minors 16-17

- Employers may employ 16 and 17-year-olds for any job for unlimited hours unless it has been deemed particularly hazardous for such youth or detrimental to the health or well-being.
- Work permit is required (certificate of age).



# Prohibited Work for All Minors



Minors may not be employed in any of the following types of establishments or positions:

- Involving certain chemicals, for example fertilizers and herbicides
- In maritime or longshoreman jobs
- Working in or around a railroad
- Working in or about plants or establishments manufacturing or storing explosives
- Driving a motor vehicle or riding along the outside of a vehicle, with limited exceptions
- Coal or other mining
- Logging and sawmill operations, forest fire fighting and forest fire prevention operations, and timber tract and forestry service occupations
- Work involving exposure to radioactive substances and to ionizing radiations
- Wrecking, demolition, and ship-breaking operations
- \*Slaughtering or meat packing, processing, or rendering
- Manufacturing brick, tile, or similar products
- \*Operating most heavy machinery and power tools
- \*Roofing operations and work on or about a roof
- \*Excavating operations

# More Resources

- Department of Labor Website
  - [www.dol.gov](http://www.dol.gov)
- Ohio Department of Commerce
  - [www.com.ohio.gov](http://www.com.ohio.gov)
- Ohio Tax Finder Site for School District Tax
  - <https://tax.ohio.gov/help-center/the-finder/the-finder>
- Your Certified HR Professional

# YouthRules.gov

Resources on  
Young Workers' Rights



The [Wage and Hour Division](#) promotes positive and safe work experiences for teens by providing information on federal and [state labor laws](#) that apply to young workers.



### Young Workers

Learn about your rights as you make your way into the workforce.

[Learn More about Young Workers](#)



### Parents

Ensure your child's job does not jeopardize their health, well-being, or educational opportunities.

[Learn More as Parents](#)



### Educators

Help educate young workers and their parents on child labor requirements.

[Learn More as Educators](#)



### Employers

Understand if and how you can employ minors at your company.


[Learn More as Employers](#)



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and register today.

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watch past recordings.




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### Payroll Today! with Ahola: ACA Filing for Small Businesses - A Comprehensive Overview

Wednesday, February 21, 2024

In this webinar, learn about key provisions, reporting requirements, and how to ensure compliance without the headache.

We'll guide you through the step-by-step process of ACA filing for small businesses, breaking down complex concepts into practical, actionable steps. From data collection to submission, leave with a clear roadmap for successful filing.




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### Lunch and Learn Webinar: Common New Client Questions and Answers

Thursday, February 15, 2024

In this webinar, we addressed common questions frequently posed by our new clients, provided comprehensive answers, and shared valuable insights to enhance your Ahola experience.

Whether you're just starting your Ahola partnership or exploring its possibilities, we believe this recording will provide you with the knowledge and insights needed to make the most of your Ahola partnership.



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# Thank You

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