

FILING GUIDELINES FOR BUSINESSES

Under Section 193.03 of the Codified Ordinances of the City of Oregon, a company doing business in the City of Oregon is:

- ***Required to withhold payroll tax at the rate of 2.25% on all wages earned within the City and remit these taxes on a quarterly basis (monthly basis if withholding totals \$200.00 or more per month). This applies to any employee working within the city limits, regardless of their residency.*** This is better known as the “withholding account” and there is no cost to the employer in complying with this rule. You are simply acting as the trustee for the employees by withholding, and then submitting to the City of Oregon, local income tax from your employee’s paychecks. However, if an employer does not become aware of this rule until after the fact when the employees no longer work for them, the employer becomes responsible for payment. ***Those companies that are required to file federal and state payments electronically will also be required to begin filing local withholding payments electronically as well.***
- ***Required to file a net profit/loss return with the City of Oregon for any portion attributable to the City. This return is due three and one-half months from the date of the company’s fiscal year-end.*** This is the “net profit account” on which your business reports its net profit or loss for the year. If you have operations in locations other than Oregon, you use an allocation schedule (Schedule Y on page 2 of our tax return) based on property, wage, and sales percentages to determine the amount due to the City of Oregon based on your company’s work here in the City.