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## CITY SERVICE FEE FREQUENTLY ASKED QUESTIONS

### **Q. WHO IS SUBJECT TO THE CITY SERVICE FEE?**

**A.** All full-time/part-time employees and self-employed individuals who regularly report to work at a physical location, or work from home within, the City of Wheeling.

### **Q. HOW DOES THE FEE APPLY TO CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES WITHIN THE CITY?**

**A.** The fee is imposed upon self-employed persons who maintain an office in or physically report to one or more locations within the City, and upon employees who are employed at or physically report to one or more locations within the City. For contractors and sub-contractors, the fee will apply for weeks in which work is performed within the City. Fees are not prorated for partial weeks.

### **Q. HOW DOES THE FEE APPLY TO RENTAL PROPERTY OWNERS PROVIDING SERVICES WITHIN THE CITY?**

**A.** The place of business is the location of the rental property, and the fee is imposed on the individual owner of the rental property unless the individual owner is not subject to self-employment tax. Rental property owners not subject to self-employment tax should bear in mind that employees hired to perform work at rental locations within the City are subject to the fee. Fees are not prorated for partial weeks.

### **Q. WHO IS REQUIRED TO FILE?**

**A.** Employers of all full-time/part-time employees and self-employed individuals who regularly report to work at a physical location, or work from home within, the City of Wheeling. Employers are required to deduct the fee from their employees' pay and remit it on their behalf. Self-employed individuals are responsible for remitting the fee on their own.

### **Q. WHEN ARE CSF RETURNS DUE?**

**A.** CSF returns are due within one month following the end of the quarter. Quarterly payments are due in April, July, October and January. Penalties and / or interest will be applied against any return that is received after these months.

### **Q. WHAT ARE THE PENALTY RATES?**

**A.** The fee, if not paid when due, shall be assessed a penalty of 5% for the first month, or fraction thereof, and 2% for each succeeding month or fraction thereof.

### **Q. MY EMPLOYEES ARE NOT PAID WEEKLY. HOW DO I CALCULATE THE CSF AMOUNT(S) TO WITHHOLD FROM**

**A.** Please refer to the *Employer Worksheet* (CSF-3) to determine the amount(s) to withhold based on a weekly, bi-weekly, semi-monthly, or monthly pay.



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**Q. WHAT IF I WORK TWO OR MORE JOBS WITHIN THE CITY? DO I HAVE TO PAY THE FEE MULTIPLE TIMES?**

**A.** No. Choose a "primary" employer to withhold the fee from your pay. Complete a *CSF-1 Prior Payment Form* and give it to each of your non-primary employers. Once this form is received by your non-primary employer, that employer is no longer required to withhold the fee.

**Q. DO PART-TIME EMPLOYEES OWE THE FEE FOR CALENDAR WEEKS IN WHICH THEY DO NOT WORK?**

**A.** Employees do not owe the fee for calendar weeks during which they do not work, provided they receive no compensation or benefits for those weeks. Employees and Employers should bear in mind that if an exemption is in place so that the fee is collected from only one (i.e., "primary") Employer of a part-time Employee, working for another Employer during an off-week would require separate payment of the fee.

**Q. ARE NON-PROFIT ENTITIES, RELIGIOUS ORGANIZATIONS, OR OTHER BUSINESSES THAT ARE EXEMPT FROM BUSINESS & OCCUPATION TAX REQUIRED TO WITHHOLD THE FEE FROM THEIR EMPLOYEES?**

**A.** Yes. All businesses and self-employed individuals working in the City of Wheeling are required to withhold and remit the fee.

**Q. RATHER THAN DEDUCTING THE FEE FROM MY PAY, CAN MY EMPLOYER PAY THE FEE FOR ME?**

**A.** There is no provision in Article 797 of the Codified Ordinances of the City of Wheeling prohibiting your employer from paying the fee for you; however, it may be considered taxable income for federal and state tax purposes. Employers should consult their tax advisor for guidance.

**Q. CAN I GET A REFUND IF MY EMPLOYER DEDUCTED THE FEE IN ERROR?**

**A.** Yes. If your employer has withheld the CSF but has not yet remitted the fee for the particular quarter, you will need to request the refund from your employer. If your employer has already remitted the fee for the particular quarter, complete a *CSF-4 Refund Claim Form* and remit it to the Office of the City Finance Director. This form must be received by our office within thirty (30) days following the receipt of payment from your employer. Otherwise, you will have to seek a refund from your employer.

**Q. CAN I PAY THE FEE YEARLY?**

**A.** No. Fees must be remitted quarterly.

**Q. ARE THERE A MINIMUM NUMBER OF HOURS YOU HAVE TO WORK IN ORDER TO BE REQUIRED TO PAY THE FEE?**

**A.** No. All part-time employees are required to pay the fee.

**Q. DOES AN EMPLOYEE HAVE TO PAY THE FEE IF THEY ARE ON PAID LEAVE, VACATION, PAID SICK LEAVE, PAID LEAVE OF ANY KIND, OR OUT OF TOWN ON BUSINESS?**

**A.** Yes. The fee continues to apply with respect to an employee who, prior to the paid out of office time, was responsible for the fee.



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## CITY SERVICE FEE FREQUENTLY ASKED QUESTIONS

### **Q. WHAT IF MY BUSINESS DOES NOT GENERATE A PROFIT?**

**A.** The Fee applies to individuals employed in the City and is not contingent upon business income. Whether a given business generates a profit or not, employees and / or self-employed owners of that business are subject to the City Service Fee if they meet the requirements set forth in Article 797.