

ARTICLE X  
INTEREST & PENALTIES

A. Interest

1. Except as provided in paragraph C of this Article, all taxes imposed and all monies withheld, or required to be withheld, by employers under the provisions of the ordinance and remaining unpaid after they have become due shall bear interest, in addition to the amount of the unpaid tax or withholdings, at the rate of one and one-half percent (1.5%) per month or fraction thereof.

B. Penalties

In addition to interest as provided in paragraph A hereof, penalties based on the unpaid tax are hereby imposed as follows:

1. For failure to pay taxes due, other than taxes withheld, one and one-half percent (1 ½%) per month or fraction thereof.
2. For failure to remit taxes withheld from employees, ten percent (10%) per month or fraction thereof.
3. For failure to pay any estimated tax liability as required by the ordinance a penalty of 1.5% per month on each quarter due based on a quarterly tax liability equal to 25% of the total actual tax paid.
4. For the underpayment of estimated tax liability as required by the ordinance a penalty of 1.5% per month on each quarter due based on a quarterly tax liability equal to 22.5% of the actual tax due including any Brook Park withholding. 25% of the total Brook Park withholding shall be credited to each quarter. Any money paid shall be credited starting with the first quarter obligation and ending with the fourth quarter.

C. Exceptions

1. No penalty shall be assessed on additional taxes found on audit to be due when a return was timely filed in good faith and the tax paid thereon within the prescribed time.
2. In the absence of fraud neither penalty nor interest shall be assessed on any additional taxes resulting from a federal audit for federal income tax purposes provided an amended return is filed and the additional tax paid within three (3) months after final determination of the federal tax liability.
3. A taxpayer or employer shall have thirty (30) days after receipt of notice of any proposed imposition of interest and penalties within which to file a written protest or explanation with the Director of the Department of Taxation. If no protest or explanation

is filed within the prescribed time, the proposed imposition of interest and penalties shall become the final assessment.

Upon filing of a written protest or explanation, the Director of the Department of Taxation shall withdraw the assessment or he shall adjust or reaffirm the assessment and it shall then become final.

#### D. Appeal from Assessment

1. Upon recommendation of the Director of the Department of Taxation, the Board of Review may abate penalty or interest, or both, or upon an appeal from the refusal of the Director of the Department of Taxation to recommend abatement of penalty and/or interest the Board may nevertheless abate penalty or interest, or both.