

**CITY OF WINCHESTER, KENTUCKY
 FINANCE DEPARTMENT
 P. O. BOX 4135
 WINCHESTER, KY 40392-4135
 (859) 744-1660**

**INSTRUCTIONS - FORM DF
 FILING MONTHLY, QUARTERLY OR ANNUAL PAYROLL TAX**

Enter Name and Address of Business under BUSINESS NAME AND ADDRESS.

Check whether paying for Quarter, Month or Annual.

Enter the Time Period of the Return i.e. what quarter, month or year paying for.

Enter due date for the time period you are paying for. Due dates can be found on Information Letter in this packet.

Line 1.....Enter total gross amount for all wages received during current month, quarter or for year. (See definition below.)

Line 2.....Enter total gross amount of all wages received which are to be excluded (i.e. work outside City of Winchester limits). Excluded income must be explained in detail on the reverse side of Form DF (annual payers).

Line 3.....Subtract Line 2 from Line 1 and enter total.

Line 4.....Enter the amount of actual tax withheld at the rate of **2.0%**.

Line 5.....If payment is not received by the due date, a penalty of 5% per month (up to 25%) of Line 4 is to be added. **A MINIMUM OF \$25.00.**

Line 6.....If a penalty is required due to late payment, interest accrues at the rate of 1% per month.

Line 7.....Total of Lines 4, 5, and 6. Amount is to be remitted with the Form DF. Filing of Form DF without proper remittance does not exclude penalty and interest from accumulating.

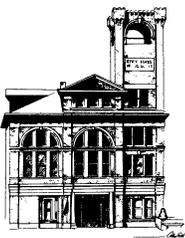
**CODE OF ORDINANCES
 CITY OF WINCHESTER, KENTUCKY**

**CHAPTER 9. LICENSES AND BUSINESS REGULATIONS
 ARTICLE V. EMPLOYEES' LICENSE TAX**

SECTION 9-68. DEFINITIONS

(J) Salaries, wages, commissions, and other compensation shall mean and include the total gross amount of all salaries, wages, commissions, bonuses, severance pay and any and all other payments or other consideration which a person receives or is entitled to for or as a result of any work done or personal services rendered as an employee in any trade, occupation or profession, or any other activity, before any payroll deductions. Notwithstanding the foregoing, severance pay to which an employee is not legally or contractually entitled but which is paid as an employer's settlement or avoidance of a claim for damages by the employee, shall not be susceptible to the imposition of the license fee.

7, Subsection 2, 3-29-77; Ord No. 12-91, Subsection 1, 8-13-91; Ord No. 17-97, Subsection 1, 4-1-97)



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NOTICE

**FEDERAL EMPLOYEES SUBJECT TO PAYROLL TAX
INDIVIDUAL FILERS SUBJECT TO PAYROLL TAX**

Article V of the City of Winchester Code of Ordinances levies and imposes an annual license fee (payroll tax) upon all employees working in the City of Winchester for compensation earned within the City. This license fee (payroll tax) is equal to **2.0%** of all GROSS SALARIES (BEFORE ANY DEDUCTIONS ARE MADE, 401K's, etc) earned during the calendar year.

All employees of the Federal Government are required to file and pay this payroll tax individually as the Federal Government does not withhold this from their wages. All individual filers are required to do the same if their employers do not withhold this tax.

Each person filing and paying this tax individually shall, on or before February 28th of each year, file with the Finance Department a return, on a form furnished by or obtainable from the City, setting forth the amount of gross salaries or compensation received during the preceding year. The person filing the tax form shall pay to the City of Winchester the amount of tax computed on the tax form.

Please attach a copy of your W-2 to the annual or fourth quarter payment.

Individuals who work a part of their time within the City and part of their time outside the City may compute the tax on only that portion earned while working within the City.

A written explanation is necessary for the services performed outside of Winchester. However, any individual who does so must also provide proof that he or she has paid the proper tax due to the County. Failure to do this will result in prosecution for failure to pay the entire amount of tax to the City. February 28th is the due date to provide such proof.

Section 9-71 of the Code of Ordinances states that whenever an employee receives compensation for services performed both within and outside the City, the tax shall be computed and paid upon the proportion of compensation earned within the City. Travel outside the City for attending seminars, training sessions, business meetings, conferences and for similar purposes, including vacation and sick time, when done as an incident to full-time employment within the City, shall not be subtracted from the gross salary as work outside the City.

Further information on this requirement may be obtained in the Finance Department, City Hall, P. O. Box 4135, Winchester, KY 40392-4135, or by calling (859) 744-1660.