



City of Cincinnati Income Tax Bureau

Tax on Athletes and Entertainers

Effective January 18, 2003



The Taxation of Entertainment and Athletes Management Team

▼ Ted Nussman,

– Deputy Tax Commissioner

- Team Leader (513) 352-3821
- Professional Athletes

▼ Susan Miller,

– Accountant

- Senior Staff Member (513) 352-3853
- Entertainers

Current Law

- ✓ Dec. 18, 2002 Law- Hand out C and Hand out D
- ✓ Net Income Method
 - Regulation R-31G 4 c 3
 - Request for Reduction Form RFR1
- ✓ Minimum Requirement Amount
 - Regulation R-31G 4 c 4



Background Summary

- ✓ Itinerant Rule-Hand out A
- ✓ House Bill 477- State mandated Uniformity
- ✓ 12 Day Rule-Ohio's version- Hand out B
 - Cincinnati's version-Athletes and entertainers were exempt under 12 day rule.



Who is Affected?

- ✔ Athletic Teams, Players, Coaches and other employees that travel with the teams.
- ✔ Entertainment Venues, Theatres, Clubs, Bars, Associations, etc.
- ✔ Promoters, Organizers and Participants of Entertainment and Athletic Events and their employees.
- ✔ Others as may be defined.



Withholding Agent's Duties

- ✔ Withhold Cincinnati tax at a rate of 2.1% on Gross Payments to Performers.
- ✔ Complete Form CIT-AE (*Hand out E*) and submit with payment to the Cincinnati Income Tax Division. (*Hand out E1*)
 - Two copies to the performer. Retain copy for records.
- ✔ Form and Payment due by 15th day of the month following the performance.
- ✔ Annual Summary Form CIT-AES (*Hand out F*) due by February 15th of the following year.



Performer's Duties

- ✔ There is no filing requirement if the only source of income earned in Cincinnati is reported on CIT-AE and withheld at a rate of 2.1%.
- ✔ Performers may file a net profit return Form R to claim deductions for expenses. Please include copies of the Form CIT-AE to claim credit for the withholding tax paid on your behalf.

THE END

Please contact us if you have
any questions or need
additional information.