

# City of Napoleon Income Tax Change Effective 1/1/2021

Beginning January 1, 2021, the reciprocity rate for the City of Napoleon Income Tax will change to 70% from 100%. Residents who work in a location that withholds income tax for another municipality will be given credit for 70% of the income tax withheld up to our rate of 1.5%. The 30% tax difference, based on gross wages, will be owed to the City of Napoleon.

For example: Napoleon resident working in Archbold

Gross Wages = \$20,000

Archbold Tax Withheld at 1.5% = \$300

Napoleon Resident Liability at 1.5% = \$300

Credit given for taxes paid at .7% = \$210

Additional tax owed to Napoleon at .3% = \$90

For Example: Napoleon resident working in Liberty Center

Gross Wages = \$20,000

Liberty Center Tax Withheld at 1% = \$200

Napoleon Resident Liability at 1.5% = \$300

Credit given for taxes paid at .7% = \$140

Additional tax owed to Napoleon at .3% = \$160

For Example: Napoleon resident working in Defiance

Gross Wages = \$20,000

Defiance Tax Withheld at 1.8% = \$360

Napoleon Resident Liability at 1.5% = \$300

Credit given for taxes paid at .7% = \$210 (applies to any municipality with a tax rate HIGHER than 1.5%)

Additional tax owed to Napoleon at .3% = \$90 (applies to any municipality with a tax rate HIGHER than 1.5%)

**Please contact the Napoleon Income Tax Department @ 419-599-2821 with any questions.**