

OHIO SUPREME COURT RULING IMPACTS REMOTE WORK TAXES DURING COVID



In a 5-2 [decision](#) announced on February 14, the Ohio Supreme Court upheld the constitutionality of a temporary state law allowing cities to collect taxes from remote employees who were working from home during tax year 2020, even if they lived outside the city limits. This ruling has important implications for both businesses and individuals.

The court's decision stemmed from a case involving a Blue Ash, Ohio resident who contested the city of Cincinnati's tax collection practices during the pandemic in accordance with Ohio law while the state of emergency was in effect. The resident argued that the city's actions violated the Due Process Clause of the U.S. Constitution's Fourteenth Amendment. However, the court ruled against this claim, indicating that Ohio had a legitimate interest in ensuring the stability of municipal revenues when the immediate need for remote work occurred with the stay-at-home order during a pandemic. Therefore, the Ohio law, and city of Cincinnati's actions were constitutional.

Furthermore, the court found that the state law in question did not violate the "Home Rule" provision of the Ohio Constitution, which permits lawmakers to regulate the taxation powers of municipalities.

Why is this important for taxpayers?

The Ohio Supreme Court decision denies taxpayers the ability to request refunds for tax year 2020. Unfortunately, taxpayers who filed a refund claim based on remote work location or were considering one for 2020 will be denied their request for a refund. This ruling underscores the significance of understanding the evolving legal landscape surrounding taxation, especially during times of crisis such as the COVID-19 pandemic. It also highlights the broader implications of government actions during emergencies and their impact on taxpayers.

If you have any questions or concerns regarding this ruling or its potential impact on your taxes, please do not hesitate to reach out to us. We are here to assist you in any way we can.