

RITTMAN CITY INCOME TAX INSTRUCTIONS

Enter the name of each employer who supplied a W-2 or 1099. Enter the City for each employer listed. Enter the tax amount withheld from employer for the City employed in. Enter Rittman tax withheld. Enter total W-2 wages (**use highest wage on W-2 form, which is usually Box 5, Medicare Wages**).

LINE #1A - Enter the total amount of Rittman City Tax withheld for each employer listed.

LINE #1B - Enter the total amount of gross wages.

LINE #2 - Enter amount from Line #1B above.

LINE #3 - Enter the total combined net taxable income from rentals, sole proprietorships, partnerships, S-corporations, Corporations and other compensation. **Unemployment benefits and military pay is NOT taxable.** Enter losses as \$.00 income. Loss carry forwards are not allowed until 2013 tax year, there is a 5 year, 50% limit on Loss Carryover.

LINE #4 - Add Lines #2 and #3. Enter amount.

LINE #5 - Multiply Line #4 by **.015**. (1 ½% - City tax rate)

LINE #6A - Enter the total amount of tax paid to Rittman (Line #1A)

LINE #6B - Enter the total amount of tax paid to other cities. **Maximum credit allowed is 1% paid to another city.**

LINE #6C - Enter the total amount of estimated tax payments made toward this year's tax.

LINE #6D - Enter the total amount of carryover from prior year's tax return from the City of Rittman.

LINE #7 - Add Lines #6A, 6B, 6C, and 6D. Enter amount.

LINE #8 - Balance of Tax Due. Subtract Line 7 from Line 5. No tax of \$10.00 or less shall be collected or refunded.

LINE #9 - Overpayment - If Line 7 exceeds line 5, enter the difference.

LINE #10 - Enter amount of overpayment to be credited to next year's taxes. You may apply part or all of your overpayment.

LINE #11 - Enter amount to be refunded from Line 9. Overpayments of \$10.00 or less **will not** be refund but will be applied to next year's taxes.

LINE #12 - Late filing penalty is \$25.00 per month late with a maximum penalty of \$150.00.

Note: Make certain that returns mailed are postmarked on or before the filing deadline. FILE EARLY TO AVOID PENALTY.

LINE #13 - Interest of .50% per month will be assessed the 1st of each month on taxes remaining unpaid after the filing deadline.

LINE #14 - Multiply the mandatory estimated payments not paid/underpaid or unpaid income tax by 15%.

LINE #15 - Total amount due. Add Lines 8, 12, 13, and 14.

NOTE: Using this tax form via your computer DOES NOT automatically transmit your tax information to the City of Rittman Tax Department. In order to file your return you MUST print out the form and either mail or take the form to:

THE CITY OF RITTMAN, TAX DEPARTMENT, 30 N. MAIN ST., RITTMAN, OH 44270

**MUNICIPAL INCOME TAX RETURN
Avoid Penalties – File by APRIL 17, 2018**

NOTE: TAX RETURN WILL BE CONSIDERED INCOMPLETE IF W-2'S ARE NOT ATTACHED.

RITTMAN TAX RATE: 1 ½%

A credit is allowed to residents for the income tax paid to another municipality. **LIMITED TO 1.00% PER CITY PAID.**
Persons, resident or non-resident, shall not be permitted to off-set any losses derived from business or rentals against any wages or payroll earnings outside of that business.

WHO MUST FILE A TAX RETURN:

RESIDENTS: All residents of the City, 18 years of age or older, must file a tax return unless they are on retirement income only. Must contact tax department regarding retirement status.

PARTIAL YEAR RESIDENTS: Required to file a return for the period of time they resided in Rittman.

NON-RESIDENTS: Not required to file a return if **ALL TAX** is withheld by employer. Contractors who **perform work** in Rittman and individuals/companies who have **rental property** situated within the City **MUST** file a yearly return. For rentals the tax is computed on the net income only.

INCOME NOT SUBJECT TO RITTMAN TAX:

Pensions, Social Security, Unemployment and Disability Benefits, Interest, Dividends, Military Pay and wages earned before a resident turns 18 years of age.

INCOME SUBJECT TO RITTMAN TAX:

All payment of wages, salaries, commissions, lottery and gambling winnings, fringe benefits taxable by the IRS, profit from business and professions performed in the City, rental income, and gain on sale of business assets.

INTEREST AND PENALTIES ON UNPAID TAXES

- (a) **Interest on unpaid tax:** All taxes imposed and all monies due under the provisions of *Ordinance 7902 Section 193* and remaining unpaid after they become due shall bear interest at the rate of .42% per month or fraction thereof.
- (b) **Penalties on unpaid tax:** In addition to interest as provided in *Section 193.10 of Ordinance 7902*, penalties based on the unpaid tax are hereby imposed as follows:
 - (1) For failure to pay taxes due other than taxes withheld: 15% of amount not timely paid.
 - (2) The minimum penalty for failure to file an annual return by April 18, 2017 shall be twenty-five dollars (\$25.00) per month for a maximum penalty for failure to timely file of one hundred fifty dollars (\$150.00).
 - (3) For failure to pay taxes withheld from employees: fifty percent (50%) of the amount not timely paid.

FORM 2106 - Allowed for Rittman residents, must provide all Federal forms to receive credit.

LOSS CARRY FORWARD - Allowed in fiscal year ending 2013 thru 2017 for three (3) taxable years at 100% immediately following the year in which loss occurred. Losses for 2018 thru 2022 tax year allowed for five (5) taxable years at 50% until tax year 2023 and thereafter when 100% may be utilized.

***In the event such Rittman resident fails, neglects, or refuses to file such return or form as prescribed by the City Manager, he or she shall not be entitled to such credit and shall be considered in violation of the Title for failure to file a return and make payment of taxes due hereunder. VOTED ON AND PASSED – NOVEMBER 8, 1988,*