

City of Orrville, Ohio City Income Tax General Information

This is your Orrville City Income Tax package. Included are basic instructions, the Annual Return and Declaration of Estimated Tax for the next tax year. Tax forms may be obtained from the tax office, located in city hall, the Orrville Public Library or downloaded from the City of Orrville website at www.orrville.com. Click on Income Tax, under Finance Department, then click tax forms

The Orrville tax office is located on the first floor in Orrville City Hall at 207 North Main Street with office hours Monday through Friday from 8 AM to 5PM. You may call 330 684 5008 or FAX 330 684 5023 with questions about the tax or for assistance in completing your return.

Make sure that your return is signed and your remittance for the tax due is enclosed along with copies of W2 forms, schedules and copies of the appropriate federal forms that are necessary to support your return. Make checks payable to **CITY OF ORRVILLE - INCOME TAX**.

GENERAL INFORMATION

WHO IS REQUIRED TO FILE:

- * All full or partial year resident individuals, 18 years of age and older, with earned income that is untaxed or taxed at a rate of less than 1.0%.
- * College students, whose parents claim as dependents on their federal income tax, are considered residents of Orrville for municipal tax purposes, and must file a return if you have untaxed income.
- * Nonresident individuals with income earned from work or services performed in the City of Orrville and not covered by a withholding plan.
- * Every business entity (individual proprietorship, partnership, corporation, profession, etc.) whether a resident or nonresident who conducts a business in Orrville must file a return and pay any tax on net profit. If you have a loss you are still required to file a return.

W2 TAXABLE INCOME:

Due to recent changes created by House Bill 95, the wages that are subject to Orrville city tax are those shown in box #5, (Medicare Wages) of the Federal W-2 form, or box #18, (Local Wages), whichever is larger.

RETIREES:

Retirees who earn wages, operate a business, own rental property or earn other income, are required to file a tax return. If your **ONLY** income source is retirement income (ie: SSI, other pension, interest, dividends, IRA and 401k distributions), check the 'fully retired' box on the front of the IR return and enter the date that you became fully retired.

PARTIAL YEAR RESIDENT:

If you were a resident of Orrville for a portion of the year, you are only subject to tax on the income earned during the period of your residency. You may break down your earnings by the number of months employed to calculate a monthly earnings figure. Use the monthly earnings figure multiplied by the number of months of residency in Orrville. If you pro-rate your income you must also pro-rate your city tax that was withheld on the same income, and attach a worksheet explaining your calculations.

DECLARATION OF ESTIMATED TAX FOR THE COMING YEAR:

Taxpayers who expect to receive taxable income for the coming year may declare estimated tax payments (25% of the full amount should be paid at the time of filing the Annual Return - April 15th). The remaining estimated tax payments, which are due on July 31, October 31, and December 31, will be billed. This declaration is not mandatory.

EXTENSIONS:

A copy of the taxpayers' Federal Extension must be filed with the tax office on or before April 15th for calendar filing and on or before 105 days following the close of a fiscal year. **An extension request is not an extension of time to pay.**

WHEN TO FILE:

Taxpayers who end their taxable year on December 31, must file on or before April 15th. Taxpayers on a fiscal year must file on or before the 15th day of the fourth month after the close of that fiscal year.

NET OPERATING LOSS:

No carry forward or carry back allowed per tax ordinance.

FILING STATUS:

Joint or separate returns are permissible for married taxpayers. The amount of tax due is generally the same regardless of filing status.

TAX CREDITS:

Residents of Orrville are allowed a credit for taxes withheld or paid to another city. This credit is, however, limited to 1.0% of the wages earned within another city. When computing this credit, calculate the earnings and the credit for each city, separately.

PENALTY AND INTEREST:

Except in those cases where an extension was filed, a late fee of \$25.00 shall be due on returns filed after the due date. Interest at a rate of .5% per month, or portion of a month, for the first six months of non-payment.

ATTACHMENTS:

Documentation supporting all income shown on your return must be attached. This includes all W-2 forms, 1099's, copies of Federal schedules C, E, etc. Worksheets used to calculate earnings for partial year residents and credit for taxes paid to other cities must also be attached to the return form.

Taxable Income

Wages, salaries and other compensation
Bonuses, stipends and tip income
Commissions, fees and other earned income
Sick pay (including third party sick pay)
Vacation pay
Stock options
Net rental income
Income from partnerships, s-corporations
estates and trusts
Net farm income
Employee contribution to retirement plan and
Tax deferred annuity plan including (deferred
compensation, 401k, 403b, 457b, etc.
Employee contribution for fringe benefits (except
for section 125)
Lottery and gambling winnings (losses not
deductible)
Executor fees
Disability payments from employer
Guaranteed annual wage contracts
Union steward fees

Non-Taxable Income

Interest and dividend income
Capital gains
Qualified pension plan income
Welfare benefits
Social Security
State Unemployment benefits
Workers Compensation
Proceeds from life insurance
Alimony
Government disability payments
Election worker income
Jury pay
Active military duty pay
Earnings of persons under 18 years of age
Patent and copyright income
Royalty income
Annuity distributions
Housing allowance for clergy to the extent that the
allowance is used to provide a home
Health and welfare benefits distributed by
governmental, charitable, religious or educational
organizations
Employee contributions made to cafeteria plan
Compensatory insurance proceeds from property
damage or personal injury settlement