



Instructions for Individual Tax Return

The City of Orrville has two individual income tax return forms. The EZ form, which may be used by individuals for situations such as: 1. Taxpayers having only W2 earnings which had city tax withheld. 2. Taxpayers that are recently retired. 3. Taxpayers on disability or 4. Taxpayers currently on active military duty. If you are going to owe tax to the city, you cannot use the EZ return. The other form is the Standard Individual Return form, (IR). The most common use of this form is to report earnings that weren't fully taxed, income from rental activity, self-employment income, 1099 income, gambling or lottery winnings.

Both individual return forms can be found on the City's website www.orrville.com. The forms are in PDF format and although the return cannot be filed electronically, they can be filled in and printed on your printer. After printing, attach all W2 forms, federal schedules and other documentation. Sign the return, include payment and mail the return to the Orrville Income Tax department. Be sure the return is postmarked by the due date to avoid penalties and interest charges.

It is very important to include with your return the following Federal forms: all W-2's, 1099 MISC, 1099 K, all Schedule's C for Self-employment, all Schedule's E for Supplemental and rental income, Schedule F and K-1's as applicable. Also, the front page of the Federal 1040, 1040a or 1040EZ.

The top portion of the tax return is for general taxpayer information. If you were a part-year resident, see that section of the general information sheet for reporting guidelines.

Part A - Tax Calculation Section - (page 1)

- Line 1** Enter the total taxable earnings from Schedule A, Column B total.
- Line 2** Enter other income from Schedule B on page 2, Line 6, Column C. **Attach copies of W2G's and 1099's and copies of all Federal schedules C,E,F, and K1.**
- Line 3** Add lines 1 and 2.
- Line 4** Enter any adjustments from Schedule C (on page 2).
- Line 5** Add lines 3 and 4.
- Line 6** Multiply line 4 times 1%, (.010)
- Line 7a** If Orrville tax was withheld from your earnings, enter the total from Schedule A, Column C.
- Line 7b** If another city's tax was withheld from your earnings, enter the total from Schedule A, Column E. This credit is limited to 1.0% of the earnings that were taxed.
- Line 7c** If tax was paid to another municipality through the filing of a tax return, include a copy of the other city returns and enter the credit (up to 1.0%) here. **Without other return copies, the credit will be disallowed.**
- Line 7d** Add lines 7a, 7b and 7c.
- Line 8** Subtract line 7d from line 6. This is the tax due before estimated tax payments or carry-forward credits.
- Line 9** Enter any unused credits from prior year and the estimated tax payments for 2018. If you are unsure of your tax credit balance, call the Orrville Income Tax office for verification.
- Line 10** Subtract line 9 from line 8. If the total due is less than \$10, enter zero.
- Line 11a** The late filing fee is \$25 per month (up to \$150) for returns filed after the April 15 deadline.
- Line 11b** The penalty for filing a late return is calculated at 15% of the unpaid tax.
- Line 11c** Assessed interest charges in accordance with ORC. See 'General Information'.

Overpayment

- Line 13** If line 13 is greater than line 12, you have overpaid the tax. If the amount of overpayment is more than \$10 you have the option to carry the overpaid tax to next year, request a refund or split the overpayment.
- Line 14** Amount of line 13 to be refunded. Must be greater than \$10.
- Line 15** Amount of line 13 to be credited to next year.

Part B – Declaration of Orrville Estimated Tax for 2019

- Line 16** Estimate the amount of income you anticipate in 2019 that will not have city taxes withheld. Or you may use the amount shown on line 8 of your 2018 Orrville return.
- Line 17** Multiply the amount on line 16 by 1.0% (010)25% (.25). This is the amount of estimated Orrville tax you will owe for 2019.
- Line 18** Estimate the amount of credits you will have toward your 2019 tax liability. (Employer withholding, etc.).
- Line 19a** Net tax due. (Subtract line 18 from line 17).
- Line 19b** Less amount credited from 2018. (from Line 15).
- Line 20** Amount of estimated tax due with this return. (Multiply the amount on line 17 by 25% and subtract amount from line 19b).
- Line 21** The total amount due with this return is any balance of tax due for 2018 (line 12) and the first quarterly payment of estimated tax for 2019 (line 20). Add lines 12 and 20).



Signatures

Upon completion, the primary taxpayer must sign on the 'Taxpayer signature' line and in the case of a joint return, the spouse needs to sign on the 'Spouse signature' line. If a third party has prepared the return, they must sign the 'Preparer's signature' line.

Payment

Make checks payable and mail to: **CITY OF ORRVILLE, INCOME TAX
PO BOX 61
ORRVILLE, OH 44667**

All 2018 tax and first quarter estimated tax for 2019 are due by April 15, 2019.

Instructions for Schedules on page 2- FORM IR

Schedule A – Taxable Wage Income (W2)

This schedule is used to report income if multiple W2's were issued, and to calculate the amount of W2 city tax credit for the taxpayer. Orrville allows credit for tax paid to other cities, up to 1.0%, if another city tax was withheld. You do not need to complete this schedule if you received only (1) W2 from your employer, instead enter the W2 information directly onto line 1 of Part A. (page 1)

- Column A** List all employers and the city where wages were earned.
- Column B** Enter the taxable W2 wages, by city, using the larger amount shown in box 5 or box 18. Include all W2 forms with the return. Photocopies are acceptable.
- Column C** From box 19 of the W2, enter the Orrville tax that was withheld. Leave blank if none.
- Column D** If you were a resident of Orrville, enter the amount of city tax withheld from your earnings and paid to other cities.
- Column E** Residents are entitled to a 1% credit for tax paid to another city. To calculate, multiply the amount in Column B by 1% (.010) and enter on the appropriate line in Column E. Calculate each W2 and city separately.

Total columns B, C and E.

Schedule B – Business Income or Loss

This schedule is for reporting taxable income, other than W2 wages. The form is fairly self-explanatory.

- Line 1** Report business income or loss from Federal Schedule(s) C. Residents report 100% and non-residents report on the allocated amount derived on Schedule Y. Residents taking credit for tax paid to other cities must include copy of the other city returns. Credit in Column D should not exceed 1% of Column C.
- Line 2** Enter rental income from Federal Schedule E. Residents report on all rental properties and non-residents report on the rentals in Orrville. Residents taking credit for tax paid to other cities must include copy of the other city returns. Credit in Column D should not exceed 1% of Column C.
- Line 3** Enter Partnership K-1 income. Residents enter the profit/loss from entities that do not pay Orrville tax on the entire distributive share.
- Line 4** Enter other types of taxable income to include 1099 Misc., Farming income from Federal schedule F and W2G gambling and lottery winnings.
- Line 5** Enter the applicable NOL credit from the 2017 return that was filed. 2018 is the first year in which the NOL credit can be taken. It is limited to a 5 year, 50% phase in period. See section 181.03 (1)(H)(i-v) of the city tax code.
- Line 6** Total Columns A,C and D. The total from Column C is entered on line 2 (page1) and the total from Column D is entered on line 7c (page 1).

Schedule Y – Business Allocation Formula

The purpose of Schedule Y is to determine the percentage of business income that is to be allocated to Orrville. To complete this schedule, calculate an average of three factors (Property and rental, Wages and Sales), total these three percentages and divide by the number of percentages used. Use this percentage to complete Schedule B – Business Income. Follow steps 1 through 5 on the Schedule Y on page 2 of the return. A separate allocation schedule is required for each Schedule C. For more detailed information see Section 718.02 of the ORC.