

2009
City of Ravenna, Ohio
Individual Income Tax Return and Declaration
Due April 15, 2010

Line by line instructions have been included for your convenience. Please take a moment to read the instructions before completing the return. Our tax staff is available (at no charge) to help assist you.

- **By Phone** - For answers to any questions, or assistance completing your Ravenna tax return, you may contact the office at (330) 297-7817.
- **In Person Office Assistance** - Office hours are 8:00 a.m. to 4:30 p.m., Monday through Friday. The office is closed from 12:00 p.m. to 1:00 p.m. We are located in the City Hall building at 210 Parkway (to the right of the court house) in room #105. No appointment is necessary.
- **Drop Off Box Assistance** - Upon request, the tax office will calculate returns dropped off in our box located on Maple Lane. Please sign your pre-printed return and place it in the enclosed envelope with a note requesting the form be calculated, along with your W-2 form (1099, Schedule C, Schedule E, whichever applies). A copy of your return will be mailed to you for your records, along with a bill, if applicable.
- **E-Mail Assistance** - You may e-mail questions to: tmurray@ci.ravenna.oh.us. Tax forms are available on the City's web site at: www.ci.ravenna.oh.us.

WHO MUST FILE:

Every resident of the City of Ravenna, who is 16 years of age or older, must file a city tax return (even if no income was earned or no tax is due.) Every business entity (individual, proprietorship, etc) regardless of its physical location, that conducts business activity within the City of Ravenna, must file a return. Every non-resident who owns rental property within the City of Ravenna must file a return. Individuals who are retired, and receive only pension, social security, interest or dividend income, are exempt from filing. Individuals under 16 years of age for the entire year are also exempt from filing.

PARTIAL YEAR RESIDENTS:

If you were a resident of Ravenna for 30 days or more during the year, you must file and report the income earned and tax paid during the period of your residency. If your W-2 shows income for a whole year, you may pro-rate your income by the number of months you lived here (e.g. 4 months ÷ 12 months = 33% of the year). However, if you also changed employers upon moving, use the full amount on your W-2 if applicable. Please attach worksheet or statement indicating how you calculated your pro-rated income.

TAX RATE:

When calculating your 2009 City of Ravenna income tax return, please use the correct tax rate of 2.00% (.02).

INCOME SUBJECT TO TAX:

Taxable income includes, but is not limited to: wages, salaries, commissions and fees, tips, bonuses, deferred compensation, director's fees, jury duty fees, vacation pay, dismissal or severance pay, sick pay, third party sick pay, rents, profits from businesses, incentive payments, gambling and lottery winnings.

INCOME NOT TAXABLE:

Non taxable income includes: dividends, interest, military pay, unemployment insurance benefits, insurance proceeds, State unemployment, workers compensation, pensions, annuities, IRA distributions, social security, welfare benefits, alimony, capital gains, section 125 (cafeteria plans), clergy housing allowance, precinct election official (up to \$1000), royalties and other revenue from intangible property. Federal Forms not taxable include: 1099-R, 1099-INT and 1099-DIV.

FILING DEADLINE:

The filing deadline is on or before April 15th. In the event that a due date falls on a Saturday, Sunday or legal holiday, the next business day becomes the due date.

EXTENSION TO FILE:

Extensions of time to file will be granted by the City of Ravenna if all the following conditions apply: (1) The extension request is received on or before April 15th, (2) The taxpayer is current with all previous years' filings and (3) No amounts are owed Ravenna for previous tax filings. Please remember that it is an extension of time to file and not an extension of time to pay. To request an extension, mail or fax (330) 297-2164 a copy of the federal government extension (form 4868 or 7004) to the Ravenna tax office.

IMPORTANT MESSAGE:

The required W-2s, 1099s and Federal Schedules C and E (whichever applies) must be attached to all returns. A return received without the supporting documents attached is incomplete, and will be considered unfiled. It will be returned to the taxpayer for the required information and resubmission. Deductions for Business Expenses will not be allowed without a copy of Federal Form 2106.

INSTRUCTIONS FOR PREPARING INDIVIDUAL RETURN

Heading

Print your name, address and social security number, or make corrections to pre-printed information. If you are filing a joint return, add your spouse's name and social security number. Please provide a daytime phone number, either home or business. Indicate if you are a Ravenna resident, or non-resident. If you were a Ravenna resident during part of the year, provide the date you moved into or out of Ravenna.

- If filing on a wage income from Federal Form W-2 or 1099 MISC, please complete WORKSHEET I on the back of return first.
- If filing the Federal Form 2106 Business Expense, please complete WORKSHEET II on the back of return first.
- If filing income from a business or profession (Schedule C); rental income (Schedule E); distributive share of income from partnerships; estates; trust; directors fees; tips; lottery winnings; etc., please complete WORKSHEET III on the back of return.
- If you were a Ravenna resident for any portion of the year and had no taxable income, please complete the EXEMPTION portion on the back of the return.

Worksheet I: Wage Income

(a) Please indicate the date the wages were earned for each W-2 when filing a partial year return, or requesting a refund. Attach a copy of all W-2 forms.

(b) List employer's name.

(c) List the actual work location city or township where employed for each employer. If wages were earned in more than one work location for an employer, list each location separately. If additional space is needed, please attach a separate schedule.

COLUMN 1 Enter the total gross wage for each W-2 and/or 1099 Misc. income. Deferred compensation is not exempt and should be included in the total. The largest amount shown on the W-2 is **usually** the taxable income.

COLUMN 2 Enter the total amount of tax withheld for the City of Ravenna from W-2 wages. On most W-2 forms, box 20 provides the name of the city that the taxes were withheld, and box 19 indicates the amount that was paid to said locality.

COLUMN 3 Enter total amount of tax withheld for other city if less than the 2.00% OR enter 2.00% of gross wage if tax withheld for other city is more than 2.00%. Ravenna allows a tax credit for taxes withheld and/or paid to another locality up to, but no more than 2.00% This applies to **EACH W-2 SEPARATELY**. Partial year residents cannot exceed the 2.00% of the **reduced income** on each W-2. Note: Withholding in excess of 2.00% from an individual W-2 may not be used for credits toward any other W-2 earnings which are not withheld at the rate of 2.00%.

Worksheet II: 2106 Business Expense Deduction

Taxpayer can only receive a refund for 2106 expenses from the city where the tax is withheld. However, if the 2106 has been applied to income earned in a **city with a lower tax rate**, a reduction of the tax due is allowable only to the extent of the difference in the tax rate. If you were a resident of Ravenna for only a portion of the year, and have prorated your income, your business expenses must also be prorated. Attach copy of Federal Form 2106 to receive deduction.

Column A Enter the total gross wage for each W-2.

Column B Multiply gross wage (Column A) by 2.00%.

Column C Ravenna: Enter total amount of tax withheld for Ravenna. Place the figure on WORKSHEET I, COLUMN 2.

Outside Ravenna with tax rate less than 2.00%: Enter total amount of tax withheld for other locality. If the amount in Column C is less than Column B, place the figure from Column C on WORKSHEET I, COLUMN 3.

Outside Ravenna with tax rate higher than 2.00%: Enter total amount of tax withheld for other locality. If the amount in Column C is higher than Column B, **STOP HERE**. The 2106 must be filed with the working city. Go back to WORKSHEET I.

Column D Ravenna: not applicable -- skip to Column F.

Outside Ravenna: Subtract Column C from Column B.

Column E Divide Column D by Column B to determine percentage of 2106 applicable to Ravenna (e.g. $233.50 \div 750.00 = 23.75\%$)

Column F Ravenna: Enter amount of expenses from Federal Form 2106

Outside Ravenna: Multiply the amount of the expenses from Federal Form 2106 by the percentage in Column E.

Column G Subtract Column F from Column A. This is your adjusted taxable income. Place this figure on WORKSHEET I, COLUMN 1.

Worksheet III: Non-Wage Income

Line 1, Column A Enter net profit (loss) from Federal Schedule C. Attach Schedule C.

Line 1, Column B The business allocation formula is to be used for those businesses operating in multiple cities and did not keep separate accounting records for each location of business.

Business Allocation Formula: Everywhere in Ravenna (b ÷ a)

Step 1. Average value of real & tangible personal property.....	\$	\$	
Gross annual rentals paid multiplied by 8	\$	\$	
Total Step 1.....	\$	\$	%
Step 2. Wages salaries & other compensation paid..	\$	\$	%
Step 3. Gross receipts from sales made and/or work or services performed	\$	\$	%
4. Total percentages			%
5. Average percentage (Divide total percentages by number of percentages used) Enter this figure on Column B			%

Line 1, Column C Multiply the amount in Column A by the percentage in Column B and enter here.

Line 2, Column A Enter net profit (loss) from Federal Schedule E. Attach Schedule E.

Line 2, Column B Enter percentage taxable to Ravenna.

Line 2, Column C Multiply the amount in Column A by the percentage in Column B and enter here.

Line 3, Column A Enter total of all other taxable income, such as fees, prizes, awards, tips, commissions, farming income (Schedule F), individual's distributive share of income from partnerships, estates and trusts. Attach Schedule.

Line 3, Column B Enter percentage taxable to Ravenna.

Line 3, Column C Multiply the amount in Column A by the percentage in Column B and enter here.

Line 4 Enter any losses carried over from a prior year. Net losses may be carried forward for up to five years. A complete schedule of all prior year losses must be attached.

Line 5 Total Lines 1, 2, 3 and 4. Enter total on Line 5. If the total is equal or less than zero, enter zero for tax calculation on return. Wage income cannot be offset by loss.

Line 6 Enter total taxes paid to other cities (not to exceed 2.00%) on non-wage income. Attach a copy of other city tax return to receive credit on Ravenna return. Place this figure on WORKSHEET I, COLUMN 3 to be included in the total placed on the return.

Exemption

To be completed by individuals who are residents of Ravenna with no taxable income. Check the appropriate box and sign the return. Make sure to mail in the return before the April 15th due date to avoid a \$25.00 late filing fine.

FRONT OF RETURN

Line 1 From WORKSHEET I (on back of return) enter the total of COLUMN 1.

Line 2 From WORKSHEET III (on back of return) enter total of COLUMN C, LINE 5.

Line 3 Add the amounts on Lines 1 and 2. Enter the total on Line 3.

Line 4 Multiply amount on Line 3 by 2.00% (.02) and enter on Line 4.

Line 5 This is the total estimated income tax payments submitted to Ravenna for the current tax year. If an entry appears on the pre-printed form, make sure the 4th quarter payment is included.

Line 6 From WORKSHEET I (on back of return) enter the total of COLUMN 2.

Line 7 This is the overpayment currently credited to your account at the end of the prior tax year.

Line 8 From WORKSHEET I (on back of return) enter the total of COLUMN 3. If filing on non-wage income, make sure the total of COLUMN C, LINE 6, from WORKSHEET III is included.

Line 9 Add Lines 5, 6, 7 and 8. Enter the total on Line 9.

Line 10 If Line 9 is greater than Line 4, and not less than \$1.00, you have overpaid. Subtract Line 4 from Line 9 and enter the amount of overpayment on Line 10.

Line 11 Enter an amount equal to, or less than, the overpayment (Line 10) that you wish to have applied to next year's annual return. Also place this amount on Line 18 of the Declaration of Estimated Tax.

Line 12 Subtract Line 11 from Line 10 and enter amount on Line 12. Note: Refunds in the amount of \$1.00 or less are not made. No refund will be issued until a declaration of Estimated Income Tax is filed, otherwise it will be applied to next year's tax liability.

Line 13 If Line 4 is greater than Line 9, an amount is due to Ravenna. Subtract Line 9 from Line 4 and enter the tax you owe on Line 13. Note: If you owe \$1.00 or less, no payment is required.

Line 14 Add amounts for Late File, Late Pay and Late Interest and enter on Line 14.

Late File: Enter \$25.00 if filing a return after April 15th without a valid extension. The \$25.00 late filing fine will be imposed even if no tax is due.

Late Pay: All taxes remaining unpaid after the April 15th due date shall be assessed penalty at the rate of 1.5% per month. Multiply the amount on Line 13 by 1.5% (.015) to get the monthly penalty. Multiply the monthly penalty by the number of months past the April 15th due date. Enter amount on Late Pay Line.

Late Interest: All taxes remaining unpaid after the April 15th due date shall be assessed interest at the rate of 1.5% per month. Multiply the amount on Line 13 by 1.5% (.015) to get the monthly interest. Multiply the monthly interest by the number of months past the April 15th due date. Enter amount on Late Interest Line.

Line 15 Enter your estimated income on Line 15

Line 16 Multiply Line 15 by 2.0% (.02). This amount will represent the estimated tax liability for the tax year.

Line 17 Enter the amount of local tax to be withheld by your employer.

Line 18 Enter the amount from Line 11.

Line 19 Subtract Lines 17 and 18 from Line 16 and enter amount on Line 19. This amount represents the amount of outstanding tax liability.

Line 20 Multiply Line 19 by 25% (.25) and enter on Line 20. This represents the first quarterly estimated payment for the tax year.

Line 21 Add Lines 13, 14 and 20 and enter total on Line 21. This is the amount due the City of Ravenna. Make your check payable to the **CITY OF RAVENNA**.