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EMPLOYER'S MUNICIPAL INCOME TAX
WITHHOLDING BOOKLET - 2008



www.ritaohio.com

THE REGIONAL INCOME TAX AGENCY HAS AN ELECTRONIC FILING SYSTEM THAT IS A CONVENIENT WAY TO FILE AND PAY YOUR EMPLOYER'S MUNICIPAL TAX WITHHOLDING STATEMENT (FORM 11). IT IS A FREE SERVICE THAT PROVIDES A FAST AND SECURE METHOD OF FILING.

THIS PACKET INCLUDES:

EMPLOYER'S MUNICIPAL INCOME TAX WITHHOLDING STATEMENTS (FORM 11), INSTRUCTIONS, TAX TABLE, AND RETURN ADDRESS LABELS

GENERAL INSTRUCTIONS

This booklet contains Employer's Municipal Income Tax Withholding Statements (Form 11), the necessary forms for filing employer withheld municipal income tax. An annual Reconciliation of Income Tax Withheld (Form 17) will be mailed under separate cover.

It is the duty of each employer within or doing business within any R.I.T.A. MUNICIPALITY (IES) who employs one or more persons on a salary, wage, commission, or other such compensation subject to the INCOME TAX ORDINANCE(S) to deduct the tax due each time such compensation is paid to an employee.

EARNINGS ON WHICH EMPLOYERS ARE REQUIRED TO WITHHOLD MUNICIPAL INCOME TAX include, but are not limited to: Wages, salaries, commissions and fees (except when paid to independent contractors), bonuses and incentive payments, tips, employer supplemental unemployment pay (subpay), vacation, holiday, and sick pay (whether paid by recipient's employer or by a third party). Payments made to an employee by an employer as dismissal or severance pay or under an early retirement incentive plan, or wage continuation plan during periods of disability or sickness, are taxable and shall be apportioned in the same ratio as regular wages if the employee works in more than one municipality. **Employee contributions to retirement plans are NOT excludable.** Withholding applies to the employee's full compensation unreduced by the employee's contribution to a retirement plan. The same rules apply with respect to other amounts withheld from employees and contributed to other types of plans (annuities, deferred compensation, etc.).

CHANGES: If your mailing address, federal identification number, company name, or quarterly / monthly filing requirements change from that shown on the preprinted Form 11, enter all changes on the enclosed Change Notice Form and return it to our agency as soon as possible.

If you have any questions regarding the completion of these forms, please call one of the following: Cleveland Local: (440) 526-0900, Columbus Local: (614) 538-0512, or Youngstown Local: (330) 743-3400, TDD: (440) 526-5332, or Toll Free: 1-(800) 860-RITA (7482).

PENALTY AND INTEREST CHARGES FOR LATE FILING/PAYMENT:

When a return/payment is received after the return's due date, the employer will be subject to penalty and interest charges as required by the local income tax ordinance.

A fee will be assessed to your account for a dishonored check or a check/electronic debit that cannot be processed. R.I.T.A. may choose to redeposit your returned item electronically. Additionally, you understand and agree that we may collect a returned item processing fee as allowed by State Law.

Electronic filers assume all responsibility for the accuracy of the information submitted and are therefore subject to any assessed fees described above for any errors.

FINAL FILING REQUIREMENTS: File Form 11 paying any withholding that is still owed. Also file Form 17 with copies of W-2's. If you have sold / closed your business, or your entity type has changed due to a merger or incorporation, you **MUST** notify our agency in writing. Include in your letter a brief explanation, the federal identification number(s) of the business or businesses, the effective date, a contact name, and a phone number.

**INSTRUCTIONS FOR COMPLETING
EMPLOYER'S MUNICIPAL TAX WITHHOLDING STATEMENT (FORM 11)**

It is required that on or before the last day of each month, the taxes withheld in the previous month be paid and Form 11 filed with R.I.T.A. However, if the amount withheld in any one month for a municipality is less than \$100.00, the employer may defer the filing of Form 11 and the payment of the amount withheld until the last day of the month following the end of the calendar quarter. Some RITA municipalities require special filing frequencies or due dates as specified in **"SPECIAL NOTES"**.

Complete all information requested on Form 11. If the information is preprinted, be sure to check for accuracy.

When calculating tax due, do not include wages, salaries, commissions, etc. from individuals under 18 years of age. These individuals are not subject to municipal income tax except when specified in **"SPECIAL NOTES"**.

IMPORTANT - ESTIMATING MONTHLY / QUARTERLY TAXES DUE IS NOT ACCEPTABLE AND WILL RESULT IN PENALTY AND INTEREST.

- LINE 1. Total wages subject to workplace tax for all RITA municipalities.
- LINE 2. Total amount of workplace tax withheld.
- LINE 3. Total amount of residence tax withheld.
- LINE 4. Total amount due and paid (LINE 2 + LINE 3).

The return must include the signature and title of the responsible party completing the return as well as the date and a phone number.

PLEASE MAKE CHECK OR MONEY ORDER PAYABLE TO R.I.T.A.

On the distribution schedule (Section B of Form 11), list the municipality, (for an entire listing of the municipalities and tax rates see the tax table in this booklet or www.ritaohio.com), the workplace wages, the workplace tax rate, the workplace tax withheld and / or the residence tax withheld in the boxes provided. **YOU MUST INDICATE A MUNICIPAL DISTRIBUTION ALONG WITH EACH FORM 11 FILED.**

If the distribution has changed from your previously filed return, check the change box on the front of Form 11 and provide the correct information and explanation in the areas provided on the form. For copies of all form types see www.ritaohio.com.

Please note some RITA municipalities have distributions for Joint Economic Development Districts (JEDD)'s or Enterprise Zones (E-Zones).

These areas are Beachwood East JEDD, Beachwood West JEDD, Clayton JEDD, Elyria Township / City of Elyria JEDD, Macedonia / Northfield Center Twp. JEDD, Olmsted JEDD, Orange - Chagrin - Highlands JEDD, Reminderville / Twinsburg Township JEDD, and Reynoldsburg E-Zone. Please use caution when completing the distributions for the JEDD and E-Zone areas, whereas they are separate taxing entities.

Use the following abbreviations for JEDD's and E-Zone's when completing Section B.

Beachwood East JEDD	BEA E JED
Beachwood West JEDD	BEA W JED
Clayton JEDD	CLAY JED
Elyria Township / City of Elyria JEDD	ELYRIA JED
Macedonia / Northfield Center Twp. JEDD	M NCTR JED
Olmsted JEDD	OLMS JED
Orange - Chagrin - Highlands JEDD	O C H JED
Reminderville / Twinsburg Township JEDD	REM T JED
Reynoldsburg Enterprise Zone	REY E Z

SPECIAL NOTES

ADDYSTON, CAMPBELL, FREMONT, NEW WATERFORD, POWHATAN POINT, ST. PARIS, TONTOGANY, AND WINTERSVILLE -

1. All filings may be made quarterly regardless of the amount withheld.
2. The under 18 rule does not apply.

Taxes must be withheld regardless of age.

ARLINGTON HEIGHTS, BELLEVUE, CENTERBURG, EAST PALESTINE, FORT JENNINGS, HASKINS, LAGRANGE, LAKEMORE, NEWTOWN, PLYMOUTH, TORONTO, UHRICHSVILLE, URBANCREST, VERMILION, AND WELLSVILLE -

All filings may be made quarterly, regardless of the amount withheld.

ASHVILLE -

Students under 21 years of age having a minimum enrollment of 12 hours each semester or each quarter are exempt.

AVON LAKE -

1. If withholding amount for the 1st or 2nd month in the calendar year is \$250 or more, file monthly for the remainder of the year.
2. Taxes must be withheld on employees 16 years of age and older.

BEACHWOOD, BEACHWOOD EAST / WEST JEDD'S, EAST CLEVELAND, AND WOODSTOCK -

If withholding amount in the 1st or 2nd month in the quarter is \$100 or more, file monthly - due the 20th day of the following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.

BEDFORD HTS., FAIRPORT HARBOR, GLENWILLOW, REMINDERVILLE, AND REMINDERVILLE / TWINSBURG TWP. JEDD -

If withholding amount per month is more than \$250, file monthly - due the 20th day of the following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.

BEXLEY, GRANDVIEW HTS., HILLIARD, LITHOPOLIS, MT. STERLING, NEW ALBANY, POWELL, AND SHAWNEE HILLS -

If withholding amount is:

1. \$12,000 or more in a previous calendar year or \$1,000 or more in any month in a preceding quarter, file semi-monthly - due 5 banking days after the 15th and 5 banking days after the end of each month.
2. More than \$1,199, but less than \$12,000 in the prior calendar year or \$100 or more in a previous month, file monthly - due the 15th day of the following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.
3. All employers not required to file semi-monthly or monthly, file quarterly - due the last day of the month following the end of each quarter.

Note: Lithopolis - The under 18 rule does not apply. Taxes must be withheld regardless of age.

BETTSVILLE -

If withholding amount per month is less than \$500, file quarterly - due the last day of the following month following the end of each quarter, otherwise file monthly - due the last day of the following month.

CARDINGTON AND MILFORD CENTER -

1. All filings may be made quarterly regardless of the amount withheld.
2. Full time students 18 years of age and under are exempt.

CECIL, KIRTLAND, NORTH ROYALTON, AND WILLOWICK -

All filings are due the 20th day of the following month for monthly and quarterly filers.

CEDARVILLE, JEWETT, AND SHEFFIELD LAKE -

1. All filings may be made quarterly, regardless of the amount withheld.
2. Taxes must be withheld on employees 16 years of age and older.

CIRCLEVILLE -

If withholding amount per month is more than \$500, file monthly, otherwise file quarterly.

CORWIN -

If withholding amount per month is:

1. Less than \$1,000, file quarterly.
2. More than \$1,000, file monthly - due the last day of the following month.
3. Taxes must be withheld on employees 16 years of age and older.

FAIRBORN -

1. All filings may be made monthly, regardless of the amount withheld.
2. Taxes must be withheld on employees 16 years of age and older.

GALENA -

Employers doing business on a temporary basis (less than one year) must file monthly - due the 15th day of the following month. All other employers may file quarterly regardless of the amount withheld.

GALION -

If withholding amount per month is less than \$300, file quarterly - due the last day of the month following the end of each quarter, otherwise file monthly - due the 15th day of the following month.

GIRARD -

The under 18 rule does not apply. Taxes must be withheld regardless of age.

GROVE CITY, UPPER ARLINGTON, AND WORTHINGTON-

If withholding amount is:

1. \$12,000 or more in a previous calendar year or \$1,000 or more in any month in a preceding quarter, file semi-monthly - due 5 banking days after the 15th and 5 banking days after the end of each month.
2. More than \$3,599, but less than \$12,000 in the prior calendar year or \$300 or more in a previous month, file monthly - due the 15th day of the following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.
3. All employers not required to file semi-monthly or monthly, file quarterly - due the last day of the month following the end of each quarter.

LOCKLAND -

If withholding amount per month is:

1. Less than \$1,000, file quarterly.
2. More than \$1,000, file monthly - due the last day of the following month.
3. The under 18 rule does not apply. Taxes must be withheld regardless of age.

MAINEVILLE AND NEWTOWN -

If withholding amount is \$2,400 or more in the previous year or \$200 or more per month in the current year, file monthly - due the 15th day of the following month, otherwise file quarterly - due the last day of the following month.

MENTOR -

If withholding amount per month is \$100 or more, file monthly - due the 20th day of the following month otherwise, file quarterly - due on or before the last day of the following month.

MILAN -

Monthly filings are due the 15th day of the following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.

CITY OF MILFORD, CITY OF MILFORD JEDD, AND OXFORD -

1. If the withholding amount per month is less than \$300, file quarterly - due the last day of the month following the end of each quarter, otherwise file monthly - due the 15th day of the following month.
2. The under 18 rule does not apply. Taxes must be withheld regardless of age.

NEW FRANKLIN -

If withholding amount per month is less than \$500, file quarterly - due the last day of the following month following the end of each quarter, otherwise file monthly - due the 15th day of the following month.

OBERLIN -

If withholding amount per month is less than \$300, file quarterly - due the last day of the month following the end of each quarter, otherwise file monthly - due the last day of the following month.

OTTAWA -

1. If withholding amount per month is \$10 or more, file monthly, otherwise file quarterly.
2. Students 18 years of age or under earning less than \$600 per year are exempt.

PIKETON -

If withholding amount is less than \$300 per month or less than \$900 per quarter, file quarterly - due the last day of the month following the end of each quarter, otherwise file monthly - due the 15th day of the following month.

REYNOLDSBURG AND REYNOLDSBURG E-ZONE -

If withholding amount per month is:

1. Less than \$1,000, file quarterly.
2. More than \$1,000, but less than \$2,000, file monthly - due the 15th day of the following month.
3. \$2,000 or more, file semi-monthly - due three days after the 15th and three days after the last day of each month.

RIVERSIDE -

1. All filings must be made monthly regardless of the amount withheld.
2. The under 18 rule does not apply. Taxes must be withheld regardless of age.

SABINA -

If the withholding amount per month is \$10 or more, file monthly, otherwise file quarterly.

STEUBENVILLE -

If withholding amount per quarter is more than \$1,000, file monthly - due ten days after the close of each month, otherwise file quarterly - due the last day of the following month.

SUNBURY -

1. If withholding amount was \$6,000 or more in the prior calendar year or more than \$500 in any month in the preceding quarter, file monthly - due five banking days after the end of each month.
2. If you are a temporary employer who will not conduct business in the village more than one year, file monthly - due the 15th day of the following month.
3. Otherwise, file quarterly - due the last day of the following month.

WELLSTON -

If withholding amount per quarter is less than \$300, file quarterly, otherwise file monthly.

WESTON -

1. All filings must be made quarterly, regardless of the amount withheld.
2. Taxes must be withheld on employees 17 years of age and older.

WILLOUGHBY-

If withholding amount in the 1st or 2nd month in the quarter is \$100 or more, file monthly, otherwise file quarterly - due the 20th day of the following month.

WILLSHIRE -

If withholding amount per month is \$300 or more, file monthly, otherwise file quarterly.

YELLOW SPRINGS -

Taxes must be withheld on employees 16 years of age and older.

YOUNGSTOWN -

1. If withholding amount in the 1st or 2nd month of a quarter is \$100 or more, file monthly - due the 20th day of following month, except the 3rd, 6th, 9th, and 12th months which are due the last day of the following month.
2. The under 18 rule does not apply. Taxes must be withheld regardless of age.

2008 WITHHOLDING TAX TABLE

<u>CODE</u>	<u>MUNICIPALITY</u>	<u>RATE</u>	<u>CODE</u>	<u>MUNICIPALITY</u>	<u>RATE</u>
018	* ADDYSTON	1.00	515	MOGADORE	2.00
013	ARLINGTON HEIGHTS	2.10	520	MORELAND HILLS	1.00
006	* ASHVILLE	1.00	528	MOUNT STERLING	1.00
010	AURORA	2.00	535	NEW ALBANY	2.00
020	* AVON	1.75	504	NEW BLOOMINGTON	1.00
021	AVON LAKE	1.50	554	* NEW FRANKLIN	1.00
040	BAY VILLAGE	1.50	525	NEW WATERFORD	1.00
050	BEACHWOOD	1.50	540	NEWBURGH HEIGHTS	2.00
051	BEACHWOOD EAST JEDD	1.50	561	NEWTOWN	1.00
052	BEACHWOOD WEST JEDD	1.50	549	NORTH LEWISBURG	1.00
065	BEDFORD HEIGHTS	2.00	550	NORTH OLMSTED	2.00
086	* BELLEVUE	1.50	570	* NORTH ROYALTON	2.00
090	BENTLEYVILLE	1.00	580	OAKWOOD VILLAGE	2.00
100	BEREA	2.00	585	OBERLIN	1.90
102	* BETTSVILLE	1.00	590	OLMSTED FALLS	1.50
104	BEXLEY	2.00	589	OLMSTED JEDD	1.50
110	BOSTON HEIGHTS	2.00	600	ORANGE VILLAGE	2.00
130	BRECKSVILLE	2.00	601	ORANGE-CHAGRIN- HIGHLANDS JEDD	2.00
140	BROADVIEW HEIGHTS	2.00	606	OTTAWA	1.00
160	BROOKLYN HEIGHTS	2.00	609	* OXFORD	1.75
167	CAMPBELL	2.50	650	PEPPER PIKE	1.00
168	CARDINGTON	1.00	637	PIKETON	1.00
195	CECIL	1.00	640	PLAIN CITY	1.00
192	CEDARVILLE	1.00	648	POWELL	0.75
194	CENTERBURG	1.00	645	POWHATAN POINT	0.75
180	CHAGRIN FALLS	1.50	660	REMINDERVILLE	1.50
190	CIRCLEVILLE	1.50	661	REMINDERVILLE / TWINSBURG TOWNSHIP JEDD	1.50
193	CLAYTON	1.50	662	REYNOLDSBURG	1.50
197	* CLAYTON JEDD	1.50	663	REYNOLDSBURG E-ZONE	1.50
223	* CORWIN	0.50	670	RICHMOND HEIGHTS	2.00
250	CUYAHOGA HEIGHTS	2.00	671	RICHWOOD	1.00
270	EAST CLEVELAND	2.00	669	RIDGEWAY	0.50
268	EAST PALESTINE	1.00	680	RIVERSIDE	1.50
277	ELYRIA	1.75	704	SABINA	1.00
282	ELYRIA TOWNSHIP / CITY OF ELYRIA JEDD	1.75	707	SAINTE PARIS	1.00
287	* FAIRBORN	1.50	712	SALINEVILLE	1.00
291	FAIRPORT HARBOR	2.00	710	SANDUSKY	1.00
300	FAIRVIEW PARK	2.00	720	SEVEN HILLS	2.00
304	FORT JENNINGS	1.00	750	SHAKER HEIGHTS	1.75
310	FREMONT	1.50	749	SHAWNEE HILLS	2.00
319	GALENA	1.00	751	SHEFFIELD LAKE	1.50
317	GALION	2.00	752	SHEFFIELD VILLAGE	1.50
320	GARFIELD HEIGHTS	2.00	748	SHERWOOD	1.00
346	GIRARD	2.00	756	SILVER LAKE	2.00
347	GLENWILLOW	2.00	770	SOUTH EUCLID	2.00
350	GRAFTON	1.50	769	SOUTH SOLON	1.00
357	GRANDVIEW HEIGHTS	2.50	776	STEBENVILLE	2.00
358	GROVE CITY	2.00	775	STREETSBORO	1.00
364	HASKINS	1.00	780	STRONGSVILLE	2.00
370	* HIGHLAND HEIGHTS	2.00	779	SUNBURY	1.00
371	* HILLIARD	2.00	794	TONTOGANY	1.00
378	HUDSON	2.00	792	TORONTO	2.00
390	INDEPENDENCE	2.00	790	* TWINSBURG	2.00
377	JEWETT	1.00	797	UHRICHSVILLE	1.75
394	KIRTLAND	2.00	800	* UNIVERSITY HEIGHTS	2.50
398	LAGRANGE	1.50	802	UPPER ARLINGTON	2.00
401	LAKEMORE	2.00	806	URBANCREST	2.00
424	* LITHOPOLIS	1.00	810	VALLEY VIEW	2.00
426	LOCKLAND	2.10	815	VERMILION	1.00
440	LYNDHURST	1.50	821	WAKEMAN	1.00
450	MACEDONIA	2.00	834	WELLSTON	1.00
451	MACEDONIA / NORTHFIELD CENTER TWP. JEDD	2.00	839	WELLSVILLE	1.00
454	MAINEVILLE	1.00	841	WEST ELKTON	1.00
460	* MAPLE HEIGHTS	2.50	840	WESTLAKE	1.50
466	MARTINS FERRY	0.75	842	* WESTON	1.00
480	MAYFIELD HEIGHTS	1.00	870	* WILLOUGHBY	2.00
485	MAYFIELD VILLAGE	1.50	890	WILLOWICK	2.00
486	MECHANICSBURG	1.00	892	* WILLSHIRE	1.00
490	* MENTOR	2.00	894	WINTERSVILLE	1.00
500	* MIDDLEBURG HEIGHTS	2.00	900	WOODMERE	2.00
505	MILAN	0.50	901	WOODSTOCK	1.00
513	* CITY OF MILFORD	1.00	904	WORTHINGTON	2.00
523	* CITY OF MILFORD JEDD	1.00	906	YELLOW SPRINGS	1.50
507	MILFORD CENTER	1.00	907	YOUNGSTOWN	2.75
509	MINERVA PARK	1.00			

Special Changes

- ***ADDYSTON** NEW MEMBER AS OF 8-1-07
- ***ASHVILLE** TAX RATE CHANGE FROM 0.50% TO 1.00% AS OF 1-1-08
- ***AVON** TAX RATE CHANGE FROM 1.50% TO 1.75% AS OF 1-1-08
- ***BELLEVUE** NEW MEMBER AS OF 11-1-07
- ***BETTSVILLE** NEW MEMBER & NEW TAX AS OF 1-1-07
- ***CLAYTON JEDD** NEW MEMBER AS OF 1-1-08
- ***CORWIN** NEW MEMBER AS OF 1-1-07
- ***FAIRBORN** NEW MEMBER AS OF 9-1-07
- ***HIGHLAND HEIGHTS** TAX RATE CHANGE FROM 1.50% TO 2.00% AS OF 1-1-07
- ***HILLIARD** NEW MEMBER AS OF 7-1-07
- ***LITHOPOLIS** NEW MEMBER AS OF 1-1-07
- ***MAPLE HEIGHTS** TAX RATE CHANGE FROM 2.00% TO 2.50% AS OF 3-1-07
- ***MENTOR** NEW MEMBER AS OF 1-1-08
- ***MIDDLEBURG HEIGHTS** TAX RATE CHANGE FROM 1.75% TO 2.00% AS OF 1-1-07
- ***CITY OF MILFORD** NEW MEMBER AS OF 1-1-07
- ***CITY OF MILFORD JEDD** NEW MEMBER & NEW TAX AS OF 7-1-07
- ***NEW FRANKLIN** NEW MEMBER AS OF 1-1-08
- ***NORTH ROYALTON** TAX RATE CHANGE FROM 1.00% TO 2.00% AS OF 1-1-07
- ***OXFORD** NEW MEMBER AS OF 8-1-07
- ***TWINSBURG** NEW MEMBER AS OF 1-1-07
- ***UNIVERSITY HEIGHTS** TAX RATE CHANGE FROM 1.50% TO 2.50% AS OF 1-1-07
- ***WESTON** NEW MEMBER AS OF 1-1-07
- ***WILLOUGHBY** NEW MEMBER AS OF 1-1-08
- ***WILLSHIRE** NEW MEMBER AS OF 7-1-07

Changes to the Ohio Revised Code 718.03

The State legislature has amended Ohio Revised Code 718.03 (municipal income tax) to require that all employers withhold on the same wage base (known as “qualifying wages”) for municipal income tax purposes. This amendment was contained in House Bill 95 (2003) and is effective January 1, 2004. Beginning on that date, all employers will withhold municipal income tax as follows:

The tax and withholding base begins with the Medicare wage base (Box5). Please note the following guidelines illustrated below:

- i. Supplemental unemployment compensation benefits described in section 3402(o)(2) of IRC are taxable.
- ii. Add compensation of pre-1986 employees exempt from Medicare that is not in the Medicare wage base solely because of the Medicare grandfathering provision.
- iii. IRC section 125 cafeteria plans are not taxable.

The required base may be modified, on a municipality-by-municipality basis, if the municipality, by resolution or ordinance, exempts from the tax and from withholding (i) stock options and/or (ii) non-qualified deferred compensation amounts.