

2001

REGIONAL INCOME TAX AGENCY

INDIVIDUAL MUNICIPAL INCOME TAX RETURN
P.O. Box 6600 Cleveland, Ohio 44101-2004

**FORM
37**

PHONE: CLEVELAND LOCAL (440) 526-0900
COLUMBUS LOCAL (614) 538-0512
TDD (440) 526-5332
TOLL FREE 1-800-860-RITA
OBTAIN FORMS AT WWW.RITA.TO

Use the RITA Label
Otherwise, please print

Social Security Number

Spouse's Social Security Number

First Name Place Label Here

I Last Name

Spouse First Name

I

IF THIS IS AN AMENDED RETURN CHECK HERE

Present Address

Apt #

City

State

Zip Code

DAYTIME

PHONE:

EVENING



FORM37IA

CHECK HERE IF YOU HAVE MOVED SINCE JANUARY 1, 2001 -

Date of Move

INDICATE YOUR CHANGE OF ADDRESS BELOW - PLEASE PRINT CLEARLY

Present Address #

Street

Apt #

MO

DAY

YR

City

State

Zip Code

Old Address #

Street

Apt #

City

State

Zip Code

CHECK APPROPRIATE BOXES

FILING STATUS: SINGLE 3
JOINT 2

IF THERE IS AN OVERPAYMENT OF REFUND 3
2001 TAX, INDICATE YOUR CHOICE: CREDIT 2002 TAX 2

1 CHECK HERE IF YOU HAVE INCOME TO REPORT IN SCHEDULE J 2 1

List all W-2 wages earned in 2001 and the amount of Local/City Tax withheld by your employer. If you or your spouse have any W-2 wages for which an employer did not withhold Local/City Tax, place a zero in Row 2 and complete Schedule K. Attach separate worksheet if additional space is needed.

Section A

ROW 1 WAGES - LIST EACH W-2 SEPARATELY

ROW 2 LOCAL/CITY TAX WITHHELD FOR WORKPLACE CITY

ROW 3 LOCAL/CITY TAX WITHHELD FOR RESIDENT CITY

ROW 4 CITY WHERE WAGES WERE EARNED

ROW 5 CITY WHERE YOU LIVED WHEN WAGES WERE EARNED

ROW 6 DATES WAGES WERE EARNED

| | Wage 1 | | Wage 2 | | Wage 3 | | Wage 4 | | Total | |
|-------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| ROW 1 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ROW 2 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ROW 3 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ROW 4 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ROW 5 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ROW 6 | FROM | TO | FROM | TO | FROM | TO | FROM | TO | | |

IF YOU WANT R.I.T.A. TO CALCULATE YOUR TAX, CHECK BLOCK AND MAIL BY MARCH 31, 2002

THE UNDERSIGNED DECLARES THAT THIS RETURN IS TRUE, CORRECT AND COMPLETE FOR THE TAX YEAR 2001

Declaration of preparer (other than taxpayer) is based on all information of which he has any knowledge

SIGN HERE

Signature

Date

Preparer's signature (other than taxpayer)

Date

Spouse's signature

(If filing jointly, BOTH must sign even if only one had income)

Address (and Zip Code)

Preparer's Emp. Ident. or Soc. Sec. No.



FORM371B

Section B

| | | | | | | | | | | | |
|-----|---|-----|--|---|----------------------|---|----------------------|---|----------------------|----------------------|-----|
| 1. | a. Total W-2 Wages (From Section A, Row 1) | 1a | <input type="text"/> | , | <input type="text"/> | , | <input type="text"/> | . | <input type="text"/> | <input type="text"/> | .00 |
| | b. Total Schedule J Income (From Line 31) (Cannot be less than zero) | 1b | <input type="text"/> | , | <input type="text"/> | , | <input type="text"/> | . | <input type="text"/> | <input type="text"/> | .00 |
| 2. | Total of all Taxable Income (Add lines 1a and 1b) | 2 | <input type="text"/> | , | <input type="text"/> | , | <input type="text"/> | . | <input type="text"/> | <input type="text"/> | .00 |
| 3. | Multiply Line 2 by Tax Rate of residence city | 3 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 4. | a. Tax withheld for all cities other than your residence city | 4a | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | b. Direct Payments (From line 35) | 4b | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 5. | a. Add lines 4a and 4b | 5a | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | b. Complete Worksheet 2 – enter total on line 5b Credit Limit for your residence city (SEE INSTRUCTIONS) | 5b | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | c. Enter the amount From Line 5a or 5b whichever is less | 5c | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 6. | Multiply Line 5c by Tax Credit of residence city | 6 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 7. | a. Tax withheld for your residence city (SEE INSTRUCTIONS) | 7a | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | b. Tax paid by your Partnership/S Corporation to any RITA MUNICIPALITY | 7b | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 8. | Total credits allowable. (Add Lines 6, 7a and 7b) | 8 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 9. | Subtract Line 8 from Line 3 | 9 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 10. | Tax on non withheld wages (from Line 32, Schedule K) | 10 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 11. | Tax on Schedule J Income (from Line 36, Schedule K) | 11 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | | Skip Lines 10 & 11 unless Schedule K was used | | | | | | | | |
| 12. | TOTAL TAX DUE RITA (Add lines 9, 10, and 11. Cannot be less than zero.) TOTAL DUE | 12 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 13. | 2001 Estimated Tax payments made to RITA | 13 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 14. | Credit carried forward from 2000 | 14 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 15. | TOTAL CREDITS (Add Lines 13 and 14) | 15 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 16. | If Line 15 is LESS than Line 12, enter the difference, which is the 2001 BALANCE DUE. If you owe less than \$1.00 (For Bedford Hts. \$5.00), you do not have to pay this amount. | 16 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 17. | If Line 15 is GREATER than 12, enter the OVERPAYMENT (may not be split between credit & refund) | 17 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | 18 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | 19 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | 20a | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | 20b | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| | | 21 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |
| 22. | TOTAL DUE by April 30, 2002 (Bexley, Galena, Marysville, Milan, Milford Ctr., Mt. Gilead, Mt. Sterling, New Albany, Plymouth, Powell, Reynoldsburg, Shawnee Hills, Steubenville, and Toronto – April 15) Add Lines 16 and 21 | 22 | <input type="text"/> | , | <input type="text"/> | | | . | <input type="text"/> | <input type="text"/> | .00 |

REFUNDS OF TAXES WITHHELD FROM YOUR WAGES AS SHOWN ON FORM W-2 MUST BE APPLIED FOR ON AN APPLICATION FOR MUNICIPAL TAX REFUND, FORM 10A.

NOTE: IF LINE 20a IS LEFT BLANK, RITA WILL CALCULATE AN ESTIMATE FOR YOU.

Pay in full – Make check or money order payable to R.I.T.A.

GENERAL INSTRUCTIONS

THESE INSTRUCTIONS ARE TO SERVE ONLY AS GUIDELINES AND ARE SUPERSEDED BY THE APPLICABLE CITY ORDINANCES AND RULES AND REGULATIONS.

The REGIONAL INCOME TAX AGENCY (RITA) collects and distributes income tax for the municipalities listed on page 11 (RITA MUNICIPALITIES). We sent you this booklet because you are listed on our files as an active taxpayer for one or more of the RITA MUNICIPALITIES.

RITA processes tax returns and collects income tax from people who earned income during any part of the tax year while living, working or conducting business in RITA MUNICIPALITIES. You may owe municipal income tax to both the municipality **where you lived (your residence city)** and to the municipality **where you worked or conducted business (your work city)**.

The FORM 37 SECTION A may be used if you have ONLY W-2 INCOME. RITA will calculate your tax liability and bill you for tax due to any RITA MUNICIPALITY. If you have overpaid your tax, RITA will credit your account or, if you choose, send you a refund. The filing deadline for Form 37 Section A is MARCH 31.

The FORM 37 SECTIONS A and B must be used if you have income from sources other than that reported on a W-2, file on extension or if you wish to calculate your tax. The filing deadline for Form 37 Sections A and B is April 30 for all RITA MUNICIPALITIES EXCEPT BEXLEY, GALENA, MARYSVILLE, MILAN, MILFORD CTR., MT. GILEAD, MT. STERLING, NEW ALBANY, PLYMOUTH, POWELL, REYNOLDSBURG, SHAWNEE HILLS, STEUBENVILLE AND TORONTO who have a filing deadline of APRIL 15.

If you are EXEMPT from reporting income on this form, please complete the EXEMPTION CERTIFICATE and return it to our office by APRIL 30 (APRIL 15 FOR BEXLEY GALENA, MARYSVILLE, MILAN, MILFORD CTR., MT. GILEAD, MT. STERLING, NEW ALBANY, PLYMOUTH, POWELL, REYNOLDSBURG, SHAWNEE HILLS, STEUBENVILLE AND TORONTO; MAY 15 FOR SUNBURY).

INCOME TAXED BY CITIES

You must report all your income regardless of the income's origin or characteristics including: wages, salaries, commissions, stock options, severance pay, other compensation including fees, sick pay, bonuses, tips, rents and lottery/gambling winnings to the extent they are taxable as provided by ordinance, profits/losses from businesses including professional associations, partnerships and Subchapter S corporations, royalties and employer supplemental unemployment benefits (subpay). **YOUR CONTRIBUTION TO RETIREMENT PLANS, ANNUITIES, DEFERRED COMPENSATION,**

401K OR INDIVIDUAL RETIREMENT ACCOUNTS ARE TAXABLE WHETHER OR NOT YOUR FORM W2 SHOWS THIS INCOME AS TAXABLE.

INCOME NOT TAXED BY CITIES

Income not taxed by cities includes: interest (1099-int), dividends (1099-div), Social Security, pensions, income from Board of Elections (voting booth), workers compensation, poor relief including state unemployment compensation, active service and reserve military pay, alimony receipts and income earned by someone under 18 years of age.

MOVING FROM RESIDENCE MUNICIPALITY

If you moved from one residence city to another during the tax year, your income taxes will be allocated between the municipalities in which you lived. This allocation will be based on actual income earned for the time you lived in each municipality.

TAX REFUNDS

Refunds of taxes withheld for a RITA MUNICIPALITY from your wages as shown on Form W-2 MUST be applied for on an Application for Municipal Tax Refund Form 10A. **USE A FORM 10A TO OBTAIN A REFUND OF EXCESSIVE PAYROLL WITHHOLDINGS (INCLUDING TAX WITHHELD FOR A PERSON UNDER 18 YEARS OF AGE) OR FOR FEDERAL INCOME TAX FORM 2106 BUSINESS EXPENSES. REFUNDS RECEIVED FROM YOUR WORK CITY MAY EFFECT THE TAX DUE TO YOUR RESIDENT CITY. FORMS CAN BE OBTAINED AT WWW.RITA.TO.**

An overpayment of estimated tax will be credited or, if you choose, refunded by filing either a Form 37-Section A or Form 37-Sections A and B.

EXTENSION TO FILE

If you have a federal extension beyond the August automatic extension date, a copy of that extension must be received by RITA prior to 120 days after your original due date and all estimated liabilities, including current year estimates must be paid to date.

PENALTY AND INTEREST

In accordance with law, penalty and interest will be charged for failing to file a return and to pay taxes, including estimated taxes, when they are due.

If your estimated payments are not 80% of the tax due, (70% for LOCKLAND and NEWTOWN; 90% for MARYSVILLE, RIVERSIDE and SUNBURY) or are not equal to or greater than your prior year's total tax liability, you will be subject to penalty and interest assessments.

SPECIAL NOTES:

- Residents of GARFIELD HTS. who are 62 years of age and older are entitled to a file exemption.
- Residents of LAKEWOOD who attend an accredited college or university on a full-time basis and do not reside within the city more than 16 weeks during the year may be exempt from paying LAKEWOOD residence tax.
- Personal earnings of any person who is a full-time high school or undergraduate college student working within the State of Ohio during the taxable year for which period they are residents of OAKWOOD VLG. may be exempt from paying residence tax.
- MOGADORE taxpayers who are full-time, post secondary education program students may be eligible for a tax credit.
- Any LOCKLAND taxpayer who is 65 yrs. of age or older on December 21 of the taxable year and has gross taxable income of \$1,200.00 or less is exempt. An exemption certificate must be filed.
- Income of the mentally retarded or developmentally disabled while working in a government funded workshop for less than minimum wage is not taxable for REYNOLDSBURG. An exemption certificate must be filed. For MARYSVILLE and MILFORD CTR., the first \$1,000.00 earned is exempt.
- Federal Form 2106 business expenses and Federal Form 3903 moving expenses are not allowed for OBERLIN, OLMSTED FALLS and SHAWNEE HILLS taxpayers. For MARYSVILLE, 2106 expenses are limited to the amount deductible for federal tax purposes. For BAY VILLAGE, 2106 expenses are limited to the amount deductible for federal tax purposes and 3903 expenses are not allowed. For GALENA and SUNBURY, Schedule A deductions are not allowed and moving expense reimbursements are taxable. For REYNOLDSBURG, 3903 expenses are not allowed.
- Quarterly payments of estimated tax must be made regardless of the anticipated amount owed for ASHVILLE, BEACHWOOD, HUNTING VALLEY, LOCKLAND, MARYSVILLE, MILAN MILFORD CTR., MT. STERLING, NEWTOWN, NORTH LEWISBURG, OBERLIN, OTTAWA, PLYMOUTH, RICHWOOD, SABINA, SHAWNEE HILLS, SOUTH SOLON, TORONTO, VERMILION, WAKEMAN and WINTERSVILLE; for AVON LAKE if the anticipated amount is at least \$40.00; for AURORA, BAY VILLAGE, BEXLEY, GALENA, GLENWILLOW, HUDSON, MAYFIELD HTS., MIDDLEBURG HTS., MT. GILEAD, NEW ALBANY, NORTH ROYALTON, OAKWOOD, POWELL, SHAKER HTS., STRONGSVILLE, SUNBURY UNIVERSITY HTS., WELLSTON and WILLWICK if over \$50.00; for BRECKSVILLE if over \$75.00; for BEDFORD HTS., ELYRIA, GRANDVIEW HTS., REYNOLDSBURG, ST. PARIS, SILVER LAKE, STEUBENVILLE, UPPER ARLINGTON and WESTLAKE if over \$100.00; and for BEXLEY at least \$200.00. For all OTHER RITA MUNICIPALITIES the minimum is \$10.00.
- The under 18 exemption does not apply to LOCKLAND, NEWTOWN, RIVERSIDE, ST. PARIS and WINTERSVILLE taxpayers. For AVON LAKE, this exemption applies to individuals under 16 years of age; for MILFORD CTR., students under 19 years of age; and for OTTAWA under 19 years of age and earning no more than \$600.00/yr.

IF YOU HAVE ANY QUESTIONS, CALL RITA AT (440) 526-0900, (614) 538-0512, TDD (440) 526-5332, OR TOLL FREE 1-800-860-RITA. ADDITIONAL FORMS CAN BE OBTAINED AT WWW.RITA.TO

INSTRUCTIONS FOR FILING FORM 37

SECTION A

NAME, ADDRESS, AND SOCIAL SECURITY NUMBER:

If your name or address was printed incorrectly, draw a line through the incorrect information and make the necessary corrections. **INDICATE YOUR SOCIAL SECURITY NUMBER(S).**

CHANGE OF ADDRESS:

If you have moved since January 1, 2001, print the required information in the box.

AMENDED RETURNS:

If you are filing an amended return, check the appropriate box and indicate the tax year to be amended.

REFUND OR CREDIT:

Indicate whether you want any overpayment of 2001 tax to be credited to your account or refunded to you.

SECTION A, ROWS 1 THROUGH 6.

Rounding off to whole dollars is permitted. Eliminate any amount less than fifty cents and increase any amount from fifty cents through ninety-nine cents to the next higher dollar. List your W-2 wages in the chart. **EACH W-2 WAGE INCOME MUST BE LISTED IN A SEPARATE COLUMN.** ROW 1 contains the gross wages you earned from each of your employers deducting 2106 expenses through Worksheet 1, page 12. ROW 2 contains the total amount of city income tax which your employer withheld from your wages for your workplace city. ROW 3 contains the residence tax which your employer withheld from your wages. ROW 4 contains the name of the city where you worked to receive your wages. This data appears on your W-2 forms. ROW 5 contains the name of the city where you lived while earning your wages. If the income was not earned evenly throughout the calendar year, supply the from/thru dates in which that income was earned in ROW 6.

SCHEDULE EX 18:

Complete Schedule EX 18 on the reverse side of the tax form. The instructions can be found on Page 11.

Attach W-2s on the reverse side of the form where indicated.

SIGNATURES:

Each taxpayer must sign the tax return, if filing a joint return, both taxpayers must sign the tax return. If someone other than the taxpayer prepares this tax return, the preparer must provide information described on the tax return.

****IF YOU HAVE W-2 INCOME ONLY AND WANT RITA TO CALCULATE YOUR TAX STOP HERE****

SECTION B

LINE 1 (a) – Enter on this line your Total W-2 wages from Section A, Row 1.

LINE 1 (b) – Enter on this line the total of your taxable income not on a Form W-2. This number may be less than zero. It is calculated on Line 31 of Schedule J. Schedule J is located on the reverse side of the tax return and its instructions are located on Page 11.

LINE 3 – Multiply Line 2 by your residence city's Tax Rate. This rate may have been typed onto your tax form and is also available on Page 11. Your residence city is the city where you lived when you earned your income.

LINE 4 (a) – Enter total tax withheld from Section A, Row 2 except withholdings for your residence city.

LINE 4 (b) – Enter the amount from Line 35, Schedule K, if applicable. **DO NOT LIST ESTIMATED PAYMENTS FOR YOUR RESIDENT CITY.**

LINE 5 (b) – On WORKSHEET 2, Page 12, list each separate income earned OUTSIDE your residence city (from Section A, Row 1 and Schedule J, column 7, row 3 and 4). **Multiply each separate income** by your residence city's Credit Limit (printed on Page 11). These are the maximum amounts of tax paid to your work city for which your residence city gives you credit. Compare each maximum amount of tax subject to the Credit Limit to the work city tax actually paid or withheld. Take the smaller of the two amounts for each income and add them. Place the total on Line 5B.

NOTE: If you are able to offset non-wage income with a loss, the amount on Line 5(b) cannot exceed the net effect of the offset times the credit limit of your city of residence.

LINE 5 (c) – Enter the amount from Line 5a or 5b, whichever is less.

LINE 6 – Multiply Line 5c by the Tax Credit of your residence city. Tax Credits are printed on Page 11.

LINE 7 (a) – Enter the amount of tax withheld by your employer for the city where you live (residence city). (Cannot exceed product of wages earned in residence city times residence city tax Rate.) If excess exists, complete Form 10A. Obtain forms at www.rita.to.

LINE 7 (b) – If you used Schedule J, enter the total of payments made by your Partnership/S Corporation for you to any RITA MUNICIPALITY.

NOTE: The amount entered cannot exceed the municipal tax due reported in Schedule J, Column 6, Rows 3 and 4. Also, if offsetting Partnership/S Corporation income with a loss, the amount on 7b cannot exceed the tax due on the net effect of this offset.

LINE 10 and 11 – Enter any tax due to a R.I.T.A. City from Schedule K (lines 32 & 36). If Schedule K is not used, leave blank.

LINE 13 – Add your 2001 estimated tax payments and enter this sum on Line 13. **Do not include payments made in 2001 for a previous year's taxes.**

LINE 14 – Enter any credit from the prior year.

AMOUNTS FOR LINES 13 AND 14 CAN BE VERIFIED BY CALLING RITA.

LINE 16 – If Line 15 is less than Line 12, subtract Line 15 from Line 12. Enter the difference on Line 16. **THIS BALANCE DUE MUST BE PAID TO RITA WHEN YOU FILE THIS RETURN. ADDITIONALLY, YOU MUST PAY AT LEAST ONE FOURTH OF YOUR ESTIMATED 2002 TAX LIABILITY.** See instructions for Line 20a.

LINE 17 – If Line 15 is greater than Line 12, subtract Line 12 from Line 15. Enter the difference, your 2001 overpayment on Line 17.

LINE 17 MAY NOT BE SPLIT BETWEEN REFUND AND CREDIT.

LINE 18 – If there is an overpayment on Line 17 and you want that overpayment credited to your account enter the full amount from Line 17.

LINE 19 – If there is an overpayment on Line 17 and you want that overpayment refunded to you, enter the full amount from Line 17.

LINE 20 (a) – If you anticipate owing income tax in 2002 (see special notes), you must complete Line 20A and make quarterly payments towards your 2002 estimated taxes. You may use the amount from Line 12 as your estimate. Otherwise you must complete Worksheet 3 on page 12.

LINE 20 (b) – Enter first quarter 2002 estimate (1/4 of Line 20A) or full estimate (Line 20A).

COPIES OF ALL W-2s, 1099s AND APPROPRIATE FEDERAL SCHEDULES MUST BE SUBMITTED WITH YOUR RETURN AS VERIFICATION OF AMOUNTS STATED THEREIN. FAILURE TO ATTACH PROPER VERIFICATION OF THE AMOUNTS STATED ON THE RETURN OR TO PROVIDE RELEVANT DOCUMENTATION UPON REQUEST MAY AFFECT AMOUNTS OF TAXABLE INCOME AND/OR ALLOWABLE CREDIT.

SCHEDULE EX 18 INSTRUCTIONS

HOUSEHOLD MEMBERS UNDER 18 YEARS OF AGE: If the information is pre-printed on your form, please check for accuracy. Draw a line through any incorrect information and make the necessary changes.

If the information is not pre-printed on your form, please complete Schedule EX 18. For each household member under 18 years of age, provide all requested information including first name and initial (last name only if different than parent's), social security number and date of birth. If more space is needed, attach a separate sheet. Attach a copy of the individual's birth certificate or drivers license for age verification.

SCHEDULE J (NON - W-2) INCOME INSTRUCTIONS

WHAT CONSTITUTES NET PROFITS: Net Profits shall be determined on the basis of the information used for Federal Income Tax purposes, adjusted to the requirements of the ordinance of a RITA MUNICIPALITY. Expenses attributable to nontaxable income are not deductible. Gains and losses from the sale or exchange of capital assets to the extent recognized as capital gains or losses for Federal Income Tax purposes are generally not to be considered in arriving at net profits.

HOW TO TREAT A NET LOSS: The portion of a net operating loss sustained in any taxable year, allocable to a RITA MUNICIPALITY may be applied against the portion of the profit of succeeding year(s) allocable to that same RITA MUNICIPALITY until exhausted, but in no event for more than five (5) taxable years, three (3) years for Boston Hts., South Solon and Vermilion. No portion of a net operating loss shall be carried back against net profits of any prior year. The portion of a net operating loss sustained shall be allocable to a RITA MUNICIPALITY in the same manner as provided herein for allocating net profits to the taxing municipality. No portion of a net operating loss shall be offset against W-2 wages.

Notes:

- For Village of **POWELL** taxpayers – A net loss may be used to offset taxable income in **POWELL** only if the business is conducted in **POWELL** or in a non-taxing municipality.
- For **BEXLEY, GRANDVIEW HTS., MARYSVILLE, MT. GILEAD, NEW ALBANY, OBERLIN, OTTAWA, POWELL, REYNOLDSBURG, RIVERSIDE, SHAWNEE HILLS, SUNBURY, TORONTO** and **UPPER ARLINGTON** taxpayers – A net operating loss may not be carried forward.
- For **RIVERSIDE** taxpayers – A net loss, the profits of which would be taxable to Riverside, may be offset against salaries, wages, commissions and other personal service compensation or against net profits from other business or professional activities.
- For **VERMILION**, a business loss cannot offset a business profit.

NOTE: Each row must be calculated separately.

COLUMN 1 – List all income from Federal Schedule C, making sure to put the amount earned in each city in the proper row.

Attach Federal Schedule C, Profit (or Loss) from Business or Profession – If you operate under the same or different trade names at more than one location and separate books are kept for each location, a separate copy of Schedule C must be attached for each location.

COLUMN 2 – List all income from Federal Schedule E, making sure to put the amount earned in each city in the proper row. Attach Federal Schedule E. Be sure to enter your Federal Identification Number on the Federal Schedule E.

INCOME FROM RENTS

A person having rental property within a RITA MUNICIPALITY, who is receiving gross monthly rentals in excess of \$250.00 per month from any and all properties within that city, is considered to be engaged in a business activity and the net income is subject to the tax whether or not they are a resident of a RITA city. If you own rental property in more than one RITA MUNICIPALITY, the rental test

stated above must be applied to each municipality individually and a separate schedule fixed for each municipality.

In addition, owners of rental property who are residents of a RITA MUNICIPALITY are subject to the tax on the net income of such rentals (column 2, row 1), provided their total gross rental is in excess of \$250.00 per month regardless of the location of the real property owned.

Notes:
 Exceptions to the \$250.00 per month rental test are: HUDSON - \$450.00; AVON LAKE, BEDFORD HTS., GLENWILLOW, HUNTING VALLEY, KIRTLAND, NORTH ROYALTON, and WILLOWICK - \$125.00; MILAN - \$500.00; MOGADORE, OBERLIN, OTTAWA, PLYMOUTH, RIVERSIDE, SOUTH SOLON, STEUBENVILLE, TORONTO, VERMILION and WELLSTON - \$100.00; and BEXLEY, GRANDVIEW HTS., LAKEMORE, LOCKLAND, MARYSVILLE, MILFORD CTR., MT. GILEAD, MT. STERLING, NEW ALBANY, NEWTOWN, POWELL, REYNOLDSBURG, ST. PARIS, SHAWNEE HILLS and WINTERSVILLE - no minimum. (For SOUTH SOLON if more than one rental, and for OTTAWA if a rooming house [more than 5 rooms rented] – no minimum.)

COLUMN 3 – List all other Non - W-2 Income, making sure to put the amount earned in each city in the proper row.

All Other Taxable Income – Attach Schedules listing all taxable income not reported elsewhere on this return. Distributive shares of types of income to be reported here are: partnerships, fees, and ordinary gains and losses as reported on Federal Form 4797.

COLUMN 4 – Place loss carry forward in COLUMN 4. A net operating loss can only offset a gain in the same city. No portion of a net operating loss shall be carried back against net profits of any prior year.

COLUMN 5 – Add COLUMNS 1, 2, 3 & 4 for each row. Place the net amount in the appropriate row in COLUMN 5.

COLUMN 6 – Add COLUMNS 1, 2, 3 & 4 for each row. Place the net amount in the appropriate row in COLUMN 6.

If the totals for COLUMNS 5 or 6 are a negative figure, use zero.

COLUMN 7 – Multiply COLUMN 6 (ROWS 3 & 4) by the tax rate of the corresponding RITA municipality as shown in Table 1. Place results in COLUMN 7.

BOX 31 – Add totals from COLUMN 5 & COLUMN 6 and enter result in BOX 31 and on Line 1b of Section B, Form 37. If COLUMN 6 ROWS 3, 4 or 5 have entries, complete Schedule K Line 34.

SCHEDULE K INSTRUCTIONS

LINE 32 – Multiply W-2 wages earned in a RITA member municipality from which no municipal tax was withheld by the tax rate shown in Table 1, making sure to exclude any wages earned in your residence city. Enter the total tax due on Line 32 of Schedule K and on Line 10, Section B, Form 37.

LINE 33 – Multiply W-2 wages earned in a taxing municipality other than a RITA MUNICIPALITY from which no municipal tax was withheld by the tax rate of that municipality. Place this amount on Line 33. Proof of payment may be required. To find the tax rate of a non-RITA MUNICIPALITY, you can ask your employer or the city hall of that municipality.

LINE 34 – Skip this line if you did not complete Schedule J. Otherwise, multiply Column 6, Rows 3, 4 and 5 of Schedule J by the tax rate of the taxing municipality where the income was earned. Proof of payment may be required.

LINE 35 – Add Lines 32, 33 and 34. Enter the total on Line 35 and on Line 4b, Section B.

LINE 36 – Add the figures in Column 7, Row 3 and Column 7, Row 4 on Schedule J. Place the total on Line 36 and on Line 11, Section B.

TABLE 1 RITA MEMBERS 2001-2002 TAX TABLE

| MUNICIPALITY | TAX RATE line 3 section B | TAX CREDIT line 6 section B | CREDIT LIMIT line 5b section B |
|--------------------|---------------------------|-----------------------------|--------------------------------|
| Ashville | .005 | .00 | .005 |
| Aurora | .01 | .50 | .01 |
| * Avon | (2001) .01 | 1.00 | .01 |
| | (2002) .015 | 1.00 | .0125 |
| Avon Lake | .015 | 1.00 | .015 |
| Bay Village | .015 | 1.00 | .01 |
| Beachwood | .015 | 1.00 | .015 |
| Bedford Heights | .02 | 1.00 | .02 |
| Bentleyville | .01 | .25 | .01 |
| Berea | .02 | 1.00 | .015 |
| Bexley | .02 | .80 | .02 |
| Boston Heights | .015 | 1.00 | .015 |
| Brady Lake | .01 | 1.00 | .01 |
| Brecksville | .02 | 1.00 | .02 |
| Broadview Heights | .02 | .75 | .02 |
| Brooklyn Heights | .02 | 1.00 | .02 |
| Chagrin Falls | .015 | .75 | .015 |
| Cuyahoga Heights | .015 | 1.00 | .015 |
| East Cleveland | .02 | .00 | .01 |
| Elyria | .0175 | 1.00 | .0175 |
| Fairview Park | .015 | .75 | .0125 |
| * Fort Jennings | (2002) .01 | 1.00 | .01 |
| Galena | .01 | .00 | .01 |
| Garfield Heights | .02 | 1.00 | .02 |
| Glenwillow | .02 | 1.00 | .02 |
| Grandview Heights | .02 | 1.00 | .02 |
| Highland Heights | .015 | 1.00 | .015 |
| Hudson | .01 | 1.00 | .01 |
| Hunting Valley | .0075 | .75 | .0075 |
| Independence | .02 | 1.00 | .02 |
| * Kirtland | (2001) .01 | .25 | .01 |
| | (2002) .02 | 1.00 | .0175 |
| LaGrange | .015 | 1.00 | .015 |
| Lakemore | .02 | 1.00 | .02 |
| Lakewood | .015 | .50 | .01 |
| Lockland | .021 | 1.00 | .021 |
| Lyndhurst | .015 | .50 | .015 |
| Maple Heights | .02 | .80 | .02 |
| Marysville | .01 | .50 | .01 |
| * Martins Ferry | (2002) .0075 | 1.00 | .0075 |
| Mayfield Heights | .01 | .50 | .01 |
| Mayfield Village | .015 | 1.00 | .015 |
| Middleburg Heights | .0175 | 1.00 | .0175 |
| Milan | .005 | .00 | .005 |
| Milford Center | .01 | .50 | .01 |
| Mogadore | .02 | 1.00 | .02 |
| Moreland Hills | .01 | .00 | .01 |
| Mount Gilead | .01 | 1.00 | .01 |
| Mount Sterling | .01 | .00 | .01 |
| New Albany | .01 | .50 | .01 |
| * Newburgh Heights | (2001) .0192 | .50 | .01 |
| | (2002) .02 | .60 | .01 |
| Newtown | .01 | 1.00 | .01 |
| North Lewisburg | .01 | .50 | .01 |
| North Olmsted | .02 | 1.00 | .02 |
| North Royalton | .01 | .25 | .01 |
| Oakwood Village | .02 | 1.00 | .02 |
| Oberlin | .019 | 1.00 | .019 |
| Olmsted Falls | .015 | .50 | .015 |
| Orange | .02 | .60 | .015 |
| Ottawa | .01 | 1.00 | .01 |
| Pepper Pike | .01 | .50 | .01 |
| Plain City | .01 | .00 | .01 |
| * Plymouth | (2001) .062 | .247 | .062 |
| | (2002) .005 | .00 | .005 |
| Powell | .0075 | 1.00 | .0025 |
| * Reminderville | (2001) .015 | .132 | .015 |
| | (2002) .015 | .00 | .015 |
| Reynoldsburg | .015 | 1.00 | .015 |
| Richmond Heights | .02 | 1.00 | .02 |
| Richwood | .005 | .25 | .01 |
| Riverside | .015 | 1.00 | .015 |
| * Sabina | (2001) .01 | .50 | .01 |
| Saint Paris | .01 | 1.00 | .01 |
| Salineville | .01 | .50 | .01 |
| Seven Hills | .02 | 1.00 | .011 |
| Shaker Heights | .0175 | .50 | .01 |
| Shawnee Hills | .02 | 1.00 | .0175 |
| Sheffield Village | .01 | 1.00 | .01 |
| Silver Lake | .02 | 1.00 | .02 |
| South Euclid | .015 | .75 | .01 |
| South Solon | .01 | .00 | .01 |
| Steubenville | .02 | 1.00 | .02 |
| Streetsboro | .01 | .00 | .01 |
| Strongsville | .02 | 1.00 | .02 |
| Sunbury | .01 | .50 | .01 |
| Toronto | .015 | 1.00 | .015 |
| University Heights | .015 | .50 | .01 |
| Upper Arlington | .02 | 1.00 | .02 |
| Valley View | .02 | 1.00 | .02 |
| Vermilion | .01 | 1.00 | .01 |
| Wakeman | .01 | .50 | .01 |
| Walton Hills | .01 | 1.00 | .01 |
| * Wellston | (2001) .0075 | 1.00 | .0075 |
| Westlake | .015 | 1.00 | .015 |
| Willowick | .02 | .875 | .02 |
| Wintersville | .01 | 1.00 | .01 |
| Woodmere | .02 | .75 | .01 |

* AVON – 2002 TAX RATE AND CREDIT LIMIT CHANGE EFFECTIVE 1-1-02.
 * FORT JENNINGS – 2002 TAX EFFECTIVE 1-1-02.
 * KIRTLAND – 2002 TAX RATE, CREDIT RATE AND CREDIT LIMIT CHANGE EFFECTIVE 1-1-02.
 * MARTINS FERRY – 2002 TAX EFFECTIVE 1-1-02.
 * NEWBURGH HTS. – 2001 IS AN AVERAGE BASED ON TAX RATE AND TAX CREDIT CHANGE EFFECTIVE 3-1-01.
 * PLYMOUTH – 2001 IS AN AVERAGE BASED ON TAX RATE, TAX CREDIT AND CREDIT LIMIT CHANGE EFFECTIVE 4-1-01.
 * REMINDERVILLE – 2001 IS AN AVERAGE BASED ON TAX CREDIT CHANGE FROM .25 TO .00 EFFECTIVE 7-12-01.
 * SABINA – 2001 TAX EFFECTIVE 6-1-01.
 * WELLSTON – 2001 TAX EFFECTIVE 6-1-01.

WORKSHEET 1 – 2106 BUSINESS EXPENSE WORKSHEET

NOTE: BAY VILLAGE, GALENA, MARYSVILLE, OBERLIN, OLMSTED FALLS, REYNOLDSBURG, SHAWNEE HILLS AND SUNBURY TAXPAYERS REFER TO SPECIAL NOTES ON PAGE 2.

Wages – Examples 1 and 2: You are an outside salesman whose W-2 or 1099 gross wage is \$10,000.00. You also have \$2,000.00 of non-reimbursed business expenses as reported on Federal Form 2106 or similar schedule. You must attach a copy of the 2106 or similar schedule, or your non-reimbursed business expenses will be denied.

Withholding – Example 1 (If you worked in a municipality taxing 1%): As an outside salesman you had \$100.00 withheld for municipal income tax from your wage of \$10,000.00. When reducing this wage by the non-reimbursed business expense, you must also reduce the municipal tax withheld by 1% of the \$2,000.00 in expenses being claimed.

Example 2 (If you worked in a municipality taxing 1-1/2%): You had \$150.00 withheld for municipal income tax from your wage of \$10,000.00. When reducing this wage by the non-reimbursed business expenses, you must also reduce the municipal income tax withheld by 1-1/2% of the \$2,000.00 in expenses being claimed. If you worked in a RITA MUNICIPALITY and the withholding was paid to RITA, see TAX REFUNDS on Page 2 in order to obtain refund.

| WAGE EXAMPLE 1 | | EXAMPLE 2 | | WORK AREA |
|-------------------|-----------|-----------|-----------|-----------|
| \$ | 10,000.00 | \$ | 10,000.00 | |
| | -2,000.00 | | -2,000.00 | |
| | 8,000.00 | | 8,000.00 | |

INCOME FOR WHICH 2106 EXAMPLE APPLIES

2106 EXPENSES

INCOME FOR WHICH 2106 EXAMPLE APPLIES

2106 EXPENSES

PLACE IN SECTION A ROW 1

| WITHHOLDING EXAMPLE 1 | | EXAMPLE 2 | | WORK AREA |
|--------------------------|--------|-----------|--------|-----------|
| \$ | 100.00 | \$ | 150.00 | |
| | -20.00 | | -30.00 | |
| | 80.00 | | 120.00 | |

WITHHOLDING ON INCOME

WITHHOLDING ON 2106 EXPENSES

WITHHOLDING ON INCOME

WITHHOLDING ON 2106 EXPENSES

PLACE IN SECTION A ROW 1

WORKSHEET 2 – CREDIT LIMIT COMPUTATION (LINE 5B)

List each income earned outside your residence city from Section A, Row 1 and Schedule J, Column 6, Rows 3, 4 and 5 on a separate line. Multiply each income by the CREDIT LIMIT of your residence city (from Table 1, page 11). Place the product in COLUMN A. List the amount of workplace tax actually withheld by your employer or paid by you for each wage in COLUMN B. Compare each amount in COLUMN A to its corresponding amount in COLUMN B. Place the lower of the two in COLUMN C. This is the maximum amount of workplace tax for which your residence city will give you credit. Place the total from COLUMN C onto LINE 5b, Section B on Form 37.

| For these examples, the taxpayer resides in a municipality that has a credit limit of .015 | Wages | Credit Limit | A | B WORKPLACE TAX WITHHELD/PAID | C LOWER OF COLUMN A OR B |
|--|-------------|--------------|-----------|----------------------------------|-----------------------------|
| Example a – Wages earned in a non-taxing municipality. | \$10,000.00 | x .015 = | \$ 150.00 | \$ 0 | \$ 0 |
| Example b – Wages earned in a .01 workplace municipality. | 10,000.00 | x .015 = | \$ 150.00 | 100.00 | 100.00 |
| Example c – Wages earned in a .02 workplace municipality. | 10,000.00 | x .015 = | \$ 150.00 | 200.00 | 150.00 |
| | | | | Total | \$ 250.00 |
| | \$ _____ | x _____ = | \$ _____ | \$ _____ | \$ _____ |
| | _____ | x _____ = | _____ | _____ | _____ |
| | _____ | x _____ = | _____ | _____ | _____ |
| | | | | Total | _____ |

NOTE: If you are able to offset non-wage income with a loss, the amount on Line 5(b) cannot exceed the net effect of the offset times the credit limit of your city of residence.

Enter total onto Line 5b, Section B on Form 37.

WORKSHEET 3 – ESTIMATED TAX COMPUTATION

Either use Line 12 Form 37 as your estimate for 2002 or complete the following worksheet.

IF YOU ARE NOT A RESIDENT OF A RITA MUNICIPALITY, SKIP TO LINE 9.
TAX RATES, CREDITS, AND CREDIT LIMITS CAN BE FOUND IN TABLE 1, PAGE 11.

- Estimate your total taxable income for 2002 (Pro-rate if part year resident) 1. _____
- Multiply Line 1 by Residence City TAX RATE and enter result on Line 2 2. _____
- Tax expected to be withheld or paid to other than your residence municipality 3. _____
- Multiply each separate income earned outside your residence city in another taxing area by the CREDIT LIMIT of your residence city – Enter Total 4. _____
- Multiply Line 3 or 4, whichever is less, by the TAX CREDIT of your residence city 5. _____
- Tax expected to be withheld for residence municipality 6. _____
- Add Lines 5 and 6 7. _____
- Subtract Line 7 from Line 2 8. _____

NON-WITHHELD SECTION

- Enter below income expected to be earned in a RITA MUNICIPALITY not your residence city and not withheld; multiply this figure by the TAX RATE of the municipality where the income was earned.
\$ _____ X _____ rate . Enter result on Line 9 9. _____
- Total estimated tax. (Add Lines 8 and 9). Place this amount on Line 10 and on Line 20a, Section B on Form 37 10. _____