

Step 3. Gross Receipts (continued)

Sales and gross receipts in RITA municipalities means:

- (1) Gross receipts from the sale of tangible personal property shall be situated to the municipal corporation only if, regardless of where title passes, the property meets either of the following criteria:
 - a) The property is shipped to or delivered within the municipal corporation from a stock of goods located within the municipal corporation.
 - b) The property is delivered within the municipal corporation from a location outside the municipal corporation, provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within such municipal corporation and the sales result from such solicitation or promotion.
- (2) Gross receipts from the sale of services shall be situated to the municipal corporation to the extent that such services are performed in the municipal corporation.
- (3) To the extent included in income, gross receipts from the sale of real property located in the municipal corporation shall be situated to the municipal corporation.
- (4) To the extent included in income, gross receipts from rents and royalties from real property located in the municipal corporation shall be situated to the municipal corporation.
- (5) Gross receipts from rents and royalties from tangible personal property shall be situated to the municipal corporation based upon the extent to which the tangible personal property is used in the municipal corporation.

Schedule Y-1. Reconciliation of Schedule Y Wages to Withholding Returns

Use this schedule to reconcile workplace wages, salaries, etc. allocated to RITA municipalities on Schedule Y with the amounts reported on your withholding returns filed for the tax year covered by this return.

Line 1. Withholding Return Wages

A calendar year taxpayer must use the workplace wages reported on their annual Reconciliation of Income Tax Withheld (Form 17). A fiscal year taxpayer must use the sum of the wages reported on the Form 11 withholding statements that correspond to the fiscal year.

Line 2. Explanation of Discrepancy

Attach an explanation if the overall discrepancy is: (1) greater than 10% of the total workplace wages reported; and (2) greater than \$5,000. If you are reporting workplace wages for multiple RITA municipalities apply the 10% / \$5,000 thresholds to each municipality.

Line 3. Other Company Information

Provide the Company Name and Federal Identification Number under which the withholding tax was remitted if different than the FEIN reported on page 1 of the Form 27.

Schedule Z. Pass-Through Distributive Shares of Net Income

All pass-through entities must attach a schedule showing each partner/shareholder name, social security number, distributive share, guaranteed payments (if applicable) and ownership percentage. The amounts reported on this schedule must correspond with the amounts reported on your federal return.

Schedule ZZ: Consolidated Returns

Taxpayers filing consolidated returns must attach Federal Form 851 or a schedule listing the name, address and employer identification number of each affiliate included in the consolidated return when filing their Form 27. Once an election is made to file a consolidated return, permission is needed to file separately in future years. For tax years beginning on or after January 1, 2016, consolidated filers have a five year opt-in/out window for changing from consolidated to single filing, or vice versa, and can elect each year to include or exclude income from 80% PTE ownership from the consolidated group. Please see ORC §718.06 for more information on municipal income tax consolidated return requirements.

Line 5. Municipal Tax Due

You must complete Schedule B on Page 2 for any amount shown on Line 5. See ritaohio.com to obtain current tax rates.

Line 6A. Payments on Declarations of Estimated Municipal Tax

Enter estimated payments made to RITA municipalities for this taxable year.

Line 6B. Amount of Previous Year Credits

Enter credit from prior year(s). (This should be the overpayment you indicated on the prior year return to be credited against this year's tax).

Line 7A. Balance Due

If Line 5 is greater than Line 6C, enter the difference here. Remittance in this amount must accompany the return when filed. A business may round off cents.

Line 7B. Overpayment Claimed

If Line 6C is greater than Line 5, enter the difference here. This amount will be transferred as a credit unless you request a refund. Amounts \$10 or less will not be refunded. If requesting a refund, please check the refund box on return envelope to expedite processing of the refund.

Line 8. Computation of Estimated Tax

Estimated tax payments are due on the fifteenth (15th) day of the fourth (4th) sixth (6th), ninth (9th) and twelfth (12th) months of each fiscal year.

A. Enter the estimated taxable income and tax for each municipality in the space provided next to the name of that municipality. Then place the total estimated taxes on Line 8A.

B. **Credit from prior year: If upon completion of your annual net profit Form 27 you have accrued a credit and did not request a refund, you may take that credit on Line 8B. Otherwise, place a zero on this line.**

D. Enter the amount of estimated tax to be paid with this return. For your convenience, you may pay the full amount of total estimated tax due, (Line 8C) with this declaration. Otherwise, **at least 1/4 of the estimated tax due, less any credit carryforward, must be remitted with this declaration** and the remaining amount will be billed. If the return is filed on extension, more than 1/4 of the estimated tax may be due.

For each RITA municipality owed, if your estimated payments are not 90% of the tax due or are not equal to or greater than your prior year's total tax liability, you will be subject to penalty and interest charges. Quarterly payments of estimated tax must be made to each RITA municipality if the anticipated amount owed is greater than or equal to \$200.

Line 9. Total Due

Print your federal employer identification number on your check or money order and make it payable to RITA. Sign and date Form 27 in the space provided. Enclose your check or money order with the Form 27 along with a copy of the federal return and supporting schedules as indicated below.

WHAT TO ATTACH TO YOUR RETURN:

Attach a complete copy of the Federal Form 1041, 1065, 1120, 1120-A, 1120-REIT, or 1120S as appropriate. Also attach copies of Schedule D, Schedule E, Form 1125-A, Form 4562, Form 4797, Form 8825, and any supporting statements for "other income", "taxes and licenses", "other expenses", and Form 1125-A "other costs". If applicable, attach copies of any K-1 schedules issued or received. If filing a consolidated return, attach copies of your federal consolidation schedules. If you issued any 1099-NEC forms, please attach copies of those issued to Ohio residents. **Note: The federal return MUST be attached to be considered a complete tax return. Please also attach all applicable schedules and 1099-NEC to avoid delays in processing.**

Joint Economic Districts (JEDDs) or Joint Economic Development Districts (JEDZs)

Most RITA revenue sharing districts (JEDDs and JEDZs) require taxpayers to file annual Net Profit returns separately from the related municipal tax authority, meaning net profits must be allocated to revenue sharing districts as if the districts are separate, stand-alone municipalities. However, the following JEDDs or JEDZ require that you file the annual Net Profit return with the related tax authority

JEDD or JEDZ	Tax Authority
Beachwood East JEDD	Beachwood
Beachwood West JEDD	Beachwood
Orange Chagrin Highland JEDD	Orange