

RITA Annual Municipal Income Tax Update Webinar

January 19, 2024

To watch the archived webinar click [here](#):

*Please note: CPE is only available for live webinars, it is not available on demand.



Municipal Income Tax Webinar -- **AGENDA**

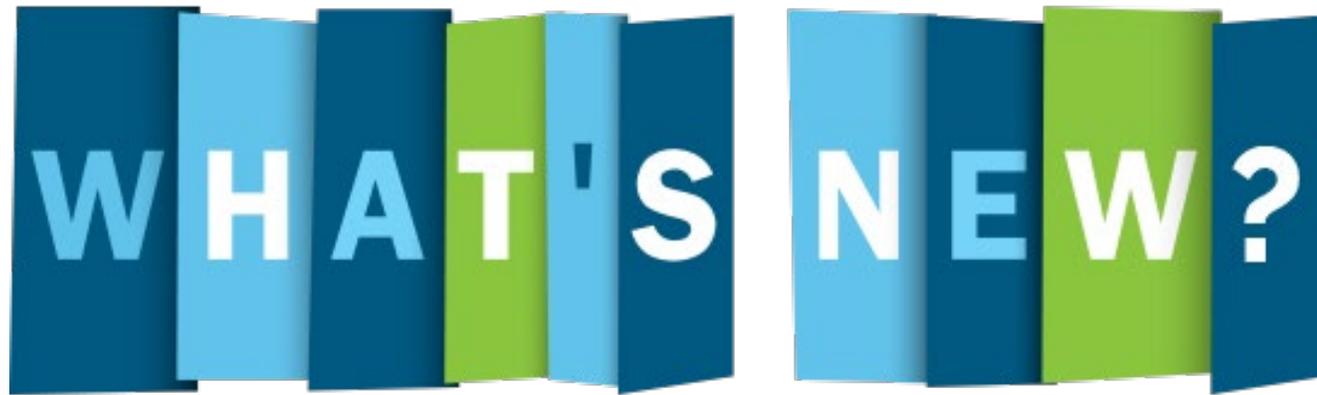
What's New?

Municipal Income Taxes and...

- Work from Home
 - Trends
 - Pending litigation and 2020 refunds
 - Municipal Net Profit Tax
- Pending and recent legislation
- Individual Tax Updates
- Break
- Q&As

Municipal Income Taxes and...

- Business Tax Updates
- Net Operating Losses and the Phase out of the Phase-in
- Withholding rules
- Impact and Application of Ohio House Bill 33
- Q&As

The text "WHAT'S NEW?" is presented in a stylized, 3D block-letter format. Each letter is contained within a rectangular block that has a slight shadow and depth. The blocks are arranged in two groups: "WHAT'S" on the left and "NEW?" on the right. The color palette consists of dark blue, light blue, and green. The 'W' and 'S' are dark blue, 'H' and 'A' are light blue, 'T' is green, and 'N', 'E', and '?' are dark blue. The 'W' in "NEW?" is green. The entire graphic is enclosed within a thick, solid blue rectangular border.

WHAT'S NEW?

**2024
Filing
Deadline**



Growing to Serve

RITA now serves
cities and villages
in 80 of Ohio's 88
Counties





New RITA Municipalities

Start Date 2023

BEDFORD City of Bedford Cuyahoga County Start Date 2/1/23	CROOKSVILLE Village of Crooksville Perry County Start Date 1/1/23	FAYETTEVILLE City of Fayetteville Brown County Start Date 1/1/23	FOREST Village of Forest Hardin County Start Date 1/1/23
MONTGOMERY City of Montgomery Hamilton County Start Date 10/1/23	NELSONVILLE City of Nelsonville Athens County Start Date 1/1/23	OCTA Village of Octa Fayette County Start Date 2/1/23	RUTLAND Village of Rutland Meigs County Start Date 1/1/23
SMITHVILLE Village of Smithville Wayne County Start Date 2/1/23	SPENCERVILLE Village of Spencerville Allen County Start Date 1/1/23	STOCKPORT Village of Stockport Morgan County Start Date 7/1/23	WALTON HILLS Village of Walton Hills Cuyahoga County Start Date 1/1/23
WARSAW Village of Warsaw Coshocton County Start Date 7/1/23			



REGIONAL INCOME TAX AGENCY

New RITA Municipalities *As of 1/18/24*

Start Date 2024

APPLE CREEK

Village of Apple Creek
Wayne County
Start Date 1/1/24

BEVERLY

Village of Beverly
Washington County
Start Date 1/1/24

COLLEGE CORNER

Village of College Corner
Butler & Wayne
Counties
Start Date 7/1/24

CRESTON

Village of Creston
Wayne County
Start Date 1/1/24

MILLBURY

Village of Millbury
Wood County
Start Date 1/1/24

NORTHWOOD

City of Northwood
Wood County
Start Date 1/1/24

OTTAWA HILLS

Village of Ottawa Hills
Lucas County
Start Date 1/1/24

SOUTH BLOOMFIELD

Village of South
Bloomfield
Pickaway County
Start Date 2/1/24

URBANA

City of Urbana
Champaign County
Start Date 2/1/24

New Income Tax Rates



FastFile

MyAccount

FastPay



Forms



Individuals



Businesses



Tax Professionals



News & Updates



Municipal Income Tax



RITA Municipalities



RITA Map



Tax Rates



Resources

RITA Offices Closed Monday, January 15 - Self-Service Options Available 24/7

Making a Payment? Use RITA's **FastPay**, no login or password required!

Have a Question? Take a Look at These **FAQs**

See **News and Important Updates** for the Latest

Contact Us >

Feedback >

Type & Press Enter



Tax Rates Table

Alphabetical Municipality Filter:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

New Municipalities and Tax Rate Changes:

Tax Rate Changes ▾

EXPORT PRINT

2024 2023 2022 2021 2020 2019 2018

Bold indicates a rate that went into effect January 1st in the selected year.

* Indicates a new municipality that went into effect January 1st in the selected year.

Municipality	Code	Tax Rate	Credit Factor (Tax Credit)	Credit Rate (Credit Limit)
Apple Creek *	032	1.000%	0.000%	0.000%
Bethel	116	1.000%	75.000%	1.000%
Crestline	227	2.000%	100.000%	1.000%
Doylestown	261	2.000%	100.000%	1.000%
Harrison	339	1.000%	100.000%	0.500%
Pleasant Hill	641	1.000%	0.000%	0.000%

What's New at RITA...

Quick Tax Calc

- Simple, quick tax calculation tool
 - Effective tax rate
 - Potential tax due
 - Calculate estimates
 - Determine if withholding is correct
- Available at ritaohio.com

What's New at RITA...

Quick Tax Calc

The screenshot shows the RITA website navigation menu. At the top is the RITA logo (Regional Income Tax Agency). Below the logo are three green buttons: 'FastFile', 'MyAccount', and 'FastPay'. Underneath these are several menu items, each with an icon to its left. A red arrow points to the 'Individuals' menu item, which is highlighted in blue. Another red arrow points to the 'Estimate Your Tax - Quick Calc' menu item, which is also highlighted in blue. The other menu items are: 'Forms' (with a clipboard icon), 'File Your Taxes', 'Make A Payment', 'Online Services', 'Forms And Instructions', 'Form Mailing Addresses', 'Filing Due Dates', and 'Do I Need To File?'.

- FastFile
- MyAccount
- FastPay
- Forms
- Individuals
- File Your Taxes
- Make A Payment
- Online Services
- Estimate Your Tax - Quick Calc
- Forms And Instructions
- Form Mailing Addresses
- Filing Due Dates
- Do I Need To File?

Quick Tax Calculation

Select a Tax Year:

2023

Where do you live? 

STRONGSVILLE

Where do you work? 

BRECKSVILLE

Estimated Annual Wages: 

50000

Do you work at another location? 

Yes No

Use this tool to estimate your municipal income tax liability for wage income only.

Enter information to determine your possible municipal income tax liability.

You must live in a **RITA Municipality** to use the quick tax calculation.

Employers: use this tool to calculate annual municipal income tax withholding for each of your applicable employees.

Tax Year selection is important to make sure the correct tax rates are used in the calculation.

Disclaimer: RITA's Quick Tax Calculation is designed to assist in estimating potential municipal income tax liabilities. This estimate is based on information that you enter and may not represent your exact tax liability when you file your return.

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Next 

Quick Tax Calculation

Tax Calculation Summary

Tax Year:	2023
Calculation Type:	W2/Annual Wages
Residence Municipality:	STRONGSVILLE
Workplace Municipality:	BRECKSVILLE
Estimated Annual Wages: ?	\$50,000.00
Workplace Withholding: ?	\$1,000.00
Residence Effective Tax Rate: ?	0.500%
Residence Tax Due: ?	\$250.00

Important Note: RITA's Quick Tax Calculation depends on the accuracy of the information you provide. This calculation is based on information that you enter and may not represent your exact tax liability when you file your return. This is designed to be a simple approach to estimating the amount of tax due, and as such, is not designed to accommodate every situation.

RITA makes no guarantees about the accuracy of this calculation; your exact tax liability may differ when filing your tax return.

Are you ready?

File your Taxes (login not required)

Fast File ▶

Update your Estimate or File your Taxes
(login is required)

MyAccount ▶

Your Workplace Withholding and Residence Tax Due are based on information you entered.

Workplace Withholding: This is what may be owed to your workplace locations for the tax year. If your employer is not withholding municipal income tax for where you work you may owe more tax at the time you file.

Residence Tax Due: This is what may be owed to the municipality where you live for the tax year. Employers are usually not required to withhold for residence tax, but may do so as a courtesy to their employees. If your employer is not withholding municipal income tax for where you live you may owe more residence tax at the time you file.

Ordinances of RITA Municipalities require the quarterly payments of current year estimated tax when the tax for your resident municipality is not withheld from your paycheck. Ohio law requires you to make estimated municipal income tax payments if you will owe \$200.00 or more to an Ohio municipality.

If adjusting your withholding for municipal income taxes is not an option available to you, you may **set up or adjust your estimate to avoid owing a balance due when it is time to file your tax return.** You can set up or adjust your estimated taxes via [MyAccount](#) by selecting the View/Amend Estimate option.

◀ Back

🏠 Restart Calculation

🖨️ Print Summary

Quick Tax Calc

Quick Tax Calculation

Tax Calculation Summary	
Tax Year:	2023
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Residence Municipality:	STRONGSVILLE
Workplace Municipality:	BRECKSVILLE
Estimated Annual Wages: ?	\$50,000.00
Workplace Withholding: ?	\$1,000.00
Residence Effective Tax Rate: ?	0.500%
Residence Tax Due: ?	\$250.00

$$2.0\% \times .75 = 1.5\%$$

Strongsville = 2.0% - 1.5%(credit) = .5% (or .005)
necessary to be withheld (or paid by employee) to satisfy the resident filing requirement

2023	2022	2021	2020	2019	2018	2017
Bold indicates a rate that went into effect January 1st in the selected year.						
* Indicates a new municipality that went into effect January 1st in the selected year.						
Municipality	Code	Tax Rate	Credit Factor (Tax Credit)	Credit Rate (Credit Limit)		
Strongsville	780	2.000%	75.000%	2.000%		

Quick Tax Calculation

Select a Tax Year:

Where do you live? 

Where do you work? 

Estimated Annual Wages: 

Do you work at another location? 

 Yes No

Where do you work? 

Estimated Annual Wages: 

Use this tool to estimate your municipal income tax liability for wage income only.

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Next 

Quick Tax Calculation

Tax Calculation Summary	
Tax Year:	2023
Calculation Type:	W2/Annual Wages
Residence Municipality:	STRONGSVILLE
Workplace Municipality:	BRECKSVILLE
Estimated Annual Wages: 	\$30,000.00
Workplace Withholding: 	\$600.00
Residence Effective Tax Rate: 	0.500%
Residence Tax Due: 	\$150.00
Workplace Municipality:	STRONGSVILLE
Estimated Annual Wages: 	\$20,000.00
Workplace Withholding: 	\$400.00
Residence Effective Tax Rate: 	0.000%
Residence Tax Due: 	\$0.00
Total Residence Tax Due:	\$150.00

Important Note: RITA's Quick Tax Calculation depends on the accuracy of the information you provide. This calculation is based on information that you enter and may not represent your exact tax liability when you file your return. This is designed to

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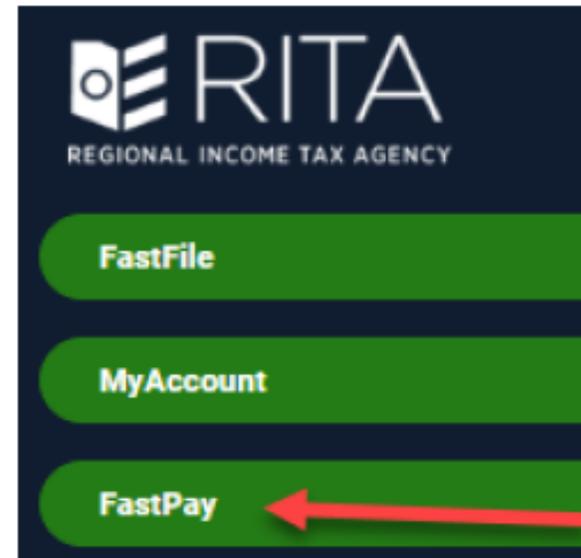
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If adjusting your withholding for municipal income taxes is not an option available to you, you may **set up or adjust your estimate to avoid owing a balance due when it is time to file your tax return.** You can set up or adjust your estimated taxes via **MyAccount** by selecting the View/Amend Estimate option.

What's New at RITA...

FastPay

- Make a payment online without creating an account or logging in



Make a Quick Payment

No login or password required.

You must make your payment in one session. Your session will time out if there is no activity within 5 minutes.

FastPay will not save information in the application.

Log into [MyAccount](#) to view your Payment History or Account Balance.

Next 

Account Information

What account are you making a payment for?

Individual Net Profit Withholder

Show Social Security Number

Social Security Number:

Confirm Social Security Number:

Tell us your name

First Name:

JANE

Middle:

Last Name:

TAXPAYER

Suffix:

Next 

What type of payment are you making?

Standard  Payment Plan  Payment Voucher from Tax Preparer Software 

Please enter the Tax Year, Confirmation Number, and Amount from your Voucher

TAX YEAR:

2023

CONFIRMATION NUMBER:

54897899

AMOUNT PAID:

50.00

 Back

Next 

Payment Options

Credit Cards Accepted (Service Charge Applies): MasterCard, VISA, Discover

Please note that a **2.75%** Service Charge will be added to payments made by credit card.

Select 

If you pay by credit card, the total amount will be charged to the account immediately on submission.

****If your credit card payment attempt is unsuccessful, please **DO NOT** make multiple payment attempts with the same credit card. Doing so may subject your credit card account to an automatic hold by your credit card provider.*

Direct Transfer From Your Checking or Savings Account

A fee will be charged to your account for a dishonored electronic debit from lack of funds.

Select 

 Back

What's New at RITA...

eBilling

- Fast, secure, paperless way to receive bills
- Enroll in MyAccount
- Taxpayer receives an email when bill is ready to view
- Login to MyAccount to review bill and make payment



noreply@mail.ritaohio.com

Havrilla, Erica

Tue 8/29

RITA - Your Payment Plan eBill is available

Your monthly Payment Plan eBill is now available online.

Payment Due Date: 08/30/2023
Minimum Amount Due: \$480.00

To view your statement, make payment or unenroll from eBilling, log into MyAccount at ritaohio.com.
Don't want to log in? Use FastPay, our guest option at ritaohio.com.

Sincerely,
Regional Income Tax Agency
PO Box 94569
Cleveland, OH 44101-4951

Please do not reply to this message. It was system generated and sent from an address that cannot accept incoming emails.



noreply@mail.ritaohio.com

Havrilla, Erica

Tue 8/29

RITA - Your eBill is available

Your latest eBill is now available online.

Payment Due Upon Notification
Total Amount Due: \$36360.44

To view your statement, make payment or unenroll from eBilling, log into MyAccount at ritaohio.com.
Don't want to log in? Use FastPay, our guest option at ritaohio.com.

Sincerely,
Regional Income Tax Agency
PO Box 94951
Cleveland, OH 44101-4951

Please do not reply to this message. It was system generated and sent from an address that cannot accept incoming emails.

MeF Partners

2023 Updates

Note: Some partners are still completing their testing. The website will be updated as they finish the testing process.

- Individual
 - ATX
 - Blockworks
 - CCH Prosystem FX
 - Drake
 - GOsystem/ONESOURCE
 - LACERTE
 - TaxAct
 - Ultra Tax

MeF Partners

2023 Updates

Note: Some partners are still completing their testing. The website will be updated as they finish the testing process.

- Net Profit

- Drake
- UltraTax
- CCH
- GOsystem

Note: Form 27 Returns for clients with multiple rental properties, in multiple municipalities, are now easier to file using MeF

MeF Partners



FastFile

MyAccount

FastPay

- Forms
- Individuals
- Businesses
- Tax Professionals**
- Tax Resources And News
- Tax Seminar Presentations
- Individual Forms And Instructions
- Business Forms And Instructions
- EFile Options For Tax Software Vendors
- MeF (MODERNIZED EFILE) Software Vendors**
- News & Updates

RITA Offices Closed Monday, January 15 - Self-Service Options Available 24/7
Making a Payment? Use RITA's **FastPay**, no login or password required!
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See **News and Important Updates** for the Latest

[Contact Us >](#) [Feedback >](#)

Type & Press Enter

Modernized eFile Approved Software Vendors

The software vendors listed below have been approved to provide RITA returns. Products and other information are listed after testing with the software vendor is complete. If you are a software vendor that wants to participate in the MeF program, please submit one or both of the following forms:

- [Tax Year 2023 RITA Form 37 MeF Application - Individuals](#)
- [Tax Year 2023 RITA Form 27 MeF Application - Businesses](#)

[Tax Professionals News and Important Updates](#) will provide notifications related to the current MeF program.

Tax Year 2023 | Tax Year 2022 | Tax Year 2021 | Tax Year 2020 | Tax Year 2019 | Tax Year 2018 | Tax Year 2017 | Tax Year 2016 | Tax Year 2015

Official Company Name:	DRAKE ENTERPRISES
Product Name:	DRAKE SOFTWARE
Mailing Address:	235 EAST PALMER STREET, FRANKLIN, NC 28734
Support:	1-800-824-0020
Forms Accepted:	Net Profit Tax Return (RITA Form 27)
Web Address:	www.drakesoftware.com

Work from Home Trends

Municipal Income Taxes and....

- A quick look at the impact of work from home trends on Ohio municipal income.
- Litigation impacting Ohio municipal income tax.
- Legislation (passed and pending) impacting Ohio municipal income tax.

Work From Home Trends

Remote Work and Municipal Tax Withholding

- In response, employers as if employees have been
- That rule e
- January 1,

Remote Work and Municipal Tax Withholding

Old Rules – New Schedules

- Fully Remote – withhold for the employee's municipality, at as the workplace

Remote Work and Municipal Tax Withholding

- Withhold Where Work is Performed

at Are The

Remote Work and Municipal Tax Withholding

Remote Work and Municipal Tax Withholding

What About Tax Year 2021 Refunds?

- Ohio House Bill 110 made it clear that taxpayers who had tax withheld for the principal place of work municipality in 2021 while they worked from home may obtain a refund.
- What is RITA seeing in terms of 2021 work from home refund requests?

Trends in Remote Work – What Happened

What Happened in 2022?

- Who Would Be Impacted?
 - Everyone – employers; employees; and municipalities
- What Would the Impact Be?
 - New withholding obligations; employee residence tax impacts; and shifts in municipal revenues
- When Would We See It?
 - As early as 1Q 2022
 - Refunds in 2023

Work From Home Trends

What Happened?

- Who Would Be Impacted?
 - Everyone – employers; employees; and municipalities
- What Would the Impact Be?
 - New withholding obligations; employee residence tax impacts; and shifts in municipal revenues
- When Would We See It?
 - As early as 1st Q 2022
 - Refunds in 2023

Work From Home Trends

Work From Home Refund Trends

- TY 2021 – 7,030 work from home refunds for just under \$14M, average refund \$1,990.
- TY 2022 – 3,526 work from home refunds for just over \$6.2M, average refund \$1,758.

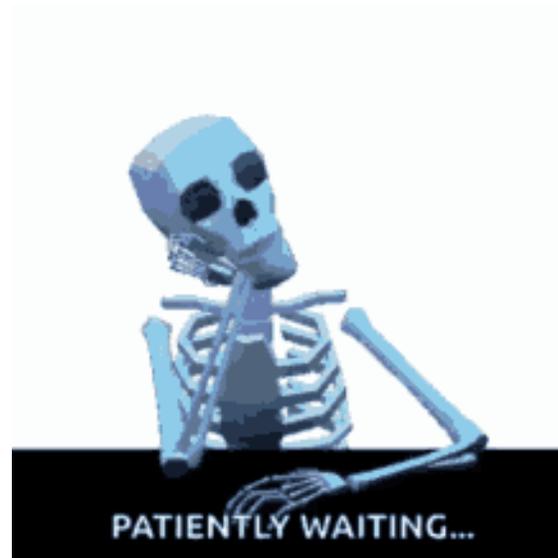
Work From Home Trends

What About Tax Year 2020 Refunds?

- General Assembly did not address tax year 2020 refunds for taxpayers who had tax withheld for the principal place of work municipality in 2020 while they worked from home.
- Litigation pending throughout the State to answer this question.
- Refund requests suspended.

Pending Litigation

- *Schaad v. Alder*, 2022-Ohio-340 (1st Dist.), oral argument March 1, 2023, awaiting ruling – City of Cincinnati



Pending Litigation - More

- *Curcio v. Hufford*, G-4801 CL-22-1009, Sixth District Court of Appeals, *appeal pending* – Cities of Oregon & Toledo
- *Morsy v. Dumas*, CA-22-112061, Eighth District Court of Appeals, *appeal pending* – City of Cleveland
- *Kresevic v. Chittock*, CV-2023-01-0031, Summit County Common Pleas Court – City of Akron
- *Office v. City of Springboro*, 2022-603, Ohio Board of Tax Appeals
- City of Columbus, new case on hold at Columbus BTA

Reminder

TY 2020 Refunds

- Statute of limitations is running!
- Have until May 17, 2024 to file refund requests for TY 2020.

H.B. 33 Legislation Update (More Work From Home..)

Work From Home and Net Profits

- Municipal net profits are allocated based on the payroll, property and sales a business has in a municipality.
- Nexus in every municipality where employees are working from home?

H.B. 33 Legislation Update (More Work From Home..)

Work From Home and Net Profits

- Payroll?
 - It's not the payroll.
- Property?
 - Computers, printers, phones, office furniture owned by the employer?
- Sales/Services ?
 - What is the employee doing at home?

H.B. 33 Legislation Update (More Work From Home..)

House Bill 33 Net Profits and Remote Workers

- Allows businesses to apportion payroll, sales and property to a designated “reporting location” instead of the remote location where an employee is working.
- Businesses may choose to apportion to each location where remote work is performed.
- Effective tax years **ending on or after 12/31/23.**

Legislation Update – House Bill 33

House Bill 33 What Else Was In It?

- Across the board under 18 exemption beginning 1/1/24;
- Change in Net Profit extension filing due date, tax years ending on or after 1/1/23;
- Modifies late filing fees, from a max of \$150 per occurrence to a max of \$25 per occurrence and a first time waiver; and
- Prohibits certain communications before the filing extension date.

Pending Legislation

Ohio House Bill 126 Ohio Senate Bill 75

- H.B. 126 expands the military income exemption from “armed services” to “uniformed services”.
- S.B. 75 allows certain municipalities to form Joint Economic Development Zones (JEDDs) without a township as a party.



The Sin Section!

- Gambling!!
- Marijuana!!!

Sports Gaming!

A year of sports
gambling in the
books in Ohio

- FanDuel, DraftKings, BetMGM, PointsBet....
- All gambling winnings are taxable by all Ohio municipalities!

Sports Gaming – Ohio WH Requirements

Ohio requires
withholding on
sports gaming
winnings

- For winnings of \$600 or more and odds of at least 300 to 1 (ORC 5747.063)

Sports Gaming - Municipalities

Municipal Income Tax Withholding?

- No Ohio municipal income tax withholding requirements on gaming winnings 😞

New for 2023 – Sports gaming!

REMEMBER

- All gambling winnings are taxable by all Ohio municipalities! 😊

Gaming Example – Form W-2G

3232 VOID CORRECTED

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code Funtime Sports 15000 Wager Blvd Anywhere USA 55555		1 Reportable winnings	2 Date won
		\$ 2500	6/30/2023
		3 Type of wager	4 Federal income tax withheld
			\$ 600.00
		5 Transaction	6 Race
PAYER'S TIN 12-3456789		7 Winnings from identical wagers	8 Cashier
		\$	
PAYER'S telephone no. _____		9 WINNER'S TIN	10 Window
		987-65-4321	
WINNER'S name Art Schliicter		11 First identification no.	12 Second identification no.
Street address (including apt. no.) 123 Main St		13 State/Payer's state identification no.	14 State winnings
City or town, state or province, country, and ZIP or foreign postal code North Royalton OH 44133		55555555 7	\$ 2500
		15 State income tax withheld	16 Local winnings
		\$ 150.00	\$
		17 Local income tax withheld	18 Name of locality
		\$	

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.

Signature: _____ **Date:** _____

OMB No. 1545-0238
Form W-2G
Certain Gambling Winnings
 (Rev. December 2023)
 For calendar year 20 _____

For Privacy Act and Paperwork Reduction Act Notice, see the **current General Instructions for Certain Information Returns.**

File with Form 1096

Copy A
For Internal Revenue Service Center

Gaming Example – Form 37

Section A

Effective Date	City/ Village/ Township	Address
1/1/2023	North Royalton	123 Main St., North Royalton OH 44133

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of you W-2). List all tax withheld for your resident municipality in Column 3 **ONLY** (even if you worked in the municipality where you lived). In Column 4 indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. **DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.**

Papercip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	2,500	0	0	Non-Taxing	North Royalton			06/30/23
Totals	2,500	0	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages – Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024 . Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com . It is easy to use, secure and will calculate your taxes immediately.							

Gaming Example – Form 37

Section B

Form 37 (2023)

Page 2

Section B

For NON W-2/ Schedule income see Pages 3-5 before starting Section B.

Withheld taxes shown on your W-2 forms are reported on either Line 4a or 7a.

If your resident city/village has a **Credit Rate of 0%**; enter -0- on Line 5b, 5c and Line 6 and go to **Line 7a**. You do not need to complete the **Credit Rate Worksheet**.

Refunds: To avoid delays in processing your refund, mail your return to the PO BOX address listed in the

1 a	Total W-2/W-2G income from Page 1, Section A, Column 1.	1a	2,500	
b	Total self-employment, rental, partnership, and (if applicable) S-Corp. income as well as any other taxable income from Page 3, Schedule J, Line 29, Column 7. If less than zero, enter -0-.	1b		
2	Total taxable income. Add Lines 1a and 1b.	2	2,500	
3	Multiply Line 2 by the tax rate of your resident municipality from the tax table. Enter the tax rate of your resident municipality here: <u>.02</u>	3		50
4 a	Tax withheld for all municipalities other than your municipality of residence from Page 1, Section A, Column 2. Do not enter estimated tax payments.	4a		
b	Direct payments from Page 3, Schedule K, Line 37. Do not enter tax withheld from your wages and/or estimated tax payments on this line.	4b		
5 a	Add Lines 4a and 4b.	5a		
b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page . Your resident municipality's credit rate: <u> </u>	5b		
c	Enter the smaller of Line 5a or Line 5b.	5c		
6	Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor: <u> </u>	6		
7 a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a		
b	Tax paid by your partnership/S-Corp./trust to YOUR RESIDENT municipality (from Worksheet R)	7b		
8	Total credits allowable. (Add Lines 6, 7a, and 7b.)	8		0
9	Subtract Line 8 from Line 3.	9		
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10		
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11		
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).	12		50
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13		
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.	15		0
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.	16		50

Personal Use Marijuana



- Now legal in Ohio, but....
- Unanswered questions?
- Clouds of confusion?

What's coming in 2024?

Personal Use Marijuana

- GA legislation clears up smoke clouds?

- Who, what, when and where:
 - Who can sell it?
 - Where?
 - At what THC levels, cost, etc.?
 - When you can start buying it?
 - How will it be taxed?



Individual Tax Updates

Tax Year 2023 – Form 37 Updates

2023 Form 37 Individual Income Tax Return

- Elimination of the Loss Carryforward Worksheet
- For taxable years beginning in 2023 and thereafter, a NOL is no longer limited by the 50% phase-in limitation and the full loss may be used.

Trends in Remote Work and Municipal Tax Withholding

- Hybrid schedules
 - Withhold day by day where work is performed;
 - Prorate wages between office and home, based on actual or expected schedules and withhold accordingly;
- For wages earned at home, the home municipality is treated like another work location, this is not courtesy residence withholding.

Hybrid W2 Examples

- Wages broken out by amount earned in each municipality in box 18.
- Corresponding withholding and work municipality listed in boxes 19 and 20.

1. Wages, tips, <u>other</u> comp. 100000.00		2. Federal income tax withheld 4751.70	
3. Social security wages 100000.00		4. Social security tax withheld 2282.18	
5. Medicare wages and tips 100000.00		6. Medicare tax withheld 533.74	
d. Control number 123456 78/ABC	Dept.	Corp.	Employer use only Z 478
c. Employer's name, address, and ZIP code ABC CONSULTING INC 333 GUADALUPE ST AUSTIN TX 43221			
b. Employer FED ID number 12-3456789		a. Employee's SSA number 400-00-xxxx	
7. Social security tips		8. Allocated tips	
9. Advance EIC payment		10. Dependent care benefits	
11. Nonqualified plans		12a.	
14. Other		12b.	
		12c.	
		12d.	
13. Stat Emp		Ret plan	3 rd party sick pay
c. Employee's name, address and ZIP code JOHN ADDAMS 1918 SLEEPY HOLLOW PEPPER PIKE, OHIO			
15. State OH	Employer state ID no 51-1234567	16. State wages, tips, etc. 100000.00	
17. State income tax 1316.67		18. Local wages, tips, etc. 40000.00 60000.00	
19. Local income tax 800.00 600.00		20. Locality name BRECKSVILLE PEPPER PIKE	
Federal Filing Copy			
W-2		Wage and Tax	2023

Hybrid W2 Examples

- Total wages listed in box 18
 - Corresponding withholding for each work municipality listed separately in box 19.

1. Wages, tips, <u>other</u> comp. 100000.00		2. Federal income tax withheld 4751.70	
3. Social security wages 100000.00		4. Social security tax withheld 2282.18	
5. Medicare wages and tips 100000.00		6. Medicare tax withheld 533.74	
d. Control number 123456_78/ABC	Dept.	Corp.	Employer use only Z 478
c. Employer's name, address, and ZIP code ABC CONSULTING INC 333 GUADALUPE ST AUSTIN TX 43221			
b. Employer FED ID number 12-3456789		a. Employee's SSA number 400-00-xxxx	
7. Social security tips		8. Allocated tips	
9. Advance EIC payment		10. Dependent care benefits	
11. Nonqualified plans		12a.	
14. Other		12b.	
		12c.	
		12d.	
13. Stat Emp		Ret plan	3 rd party sick pay
c. Employee's name, address and ZIP code JOHN ADDAMS 1918 SLEEPY HOLLOW PEPPER PIKE, OH			
15. State OH	Employer state ID no 51-1234567	16. State wages, tips, etc. 100000.00	
17. State income tax 1316.67		18. Local wages, tips, etc. 100000.00	
19. Local income tax 800.00 600.00		20. Locality name BRECKSVILLE PEPPER PIKE	
Federal Filing Copy			
W-2		Wage and Tax	2023

Hybrid W2 Examples

- Each work municipality has its own W2 form, showing wage, withholding, and work municipalities on separate W2 forms.

1. Wages, tips, <u>other</u> comp. 100000.00		2. Federal income tax withheld 4751.70	
3. Social security wages 100000.00		4. Social security tax withheld 2282.18	
5. Medicare wages and tips 100000.00		6. Medicare tax withheld 533.74	
d. Control number 123456 78/ABC	Dept.	Corp.	Employer use only Z 478
c. Employer's name, address, and ZIP code ABC CONSULTING INC 333 GUADALUPE ST AUSTIN TX 43221			
b. Employer FED ID number 12-3456789		a. Employee's SSA number 400-00-xxxx	
7. Social security tips		8. Allocated tips	
9. Advance EIC payment		10. Dependent care benefits	
11. Nonqualified plans		12a.	
14. Other		12b.	
		12c.	
		12d.	
		13. Stat Emp	Ret plan
c. Employee's name, address and ZIP code JOHN ADDAMS 1918 SLEEPY HOLLOW PEPPER PIKE, OH			
15.State OH	Employer state ID no 51-1234567	16. State wages, tips, etc. 100000.00	
17. State income tax 1316.67		18. Local wages, tips, etc. 40000.00	
19. Local income tax 800.00		20. Locality name BRECKSVILLE	
Federal Filing Copy			
W-2		Wage and Tax 2023	

1. Wages, tips, <u>other</u> comp. 100000.00		2. Federal income tax withheld 4751.70	
3. Social security wages 100000.00		4. Social security tax withheld 2282.18	
5. Medicare wages and tips 100000.00		6. Medicare tax withheld 533.74	
d. Control number 123456 78/ABC	Dept.	Corp.	Employer use only Z 478
c. Employer's name, address, and ZIP code ABC CONSULTING INC 333 GUADALUPE ST AUSTIN TX 43221			
b. Employer FED ID number 12-3456789		a. Employee's SSA number 400-00-xxxx	
7. Social security tips		8. Allocated tips	
9. Advance EIC payment		10. Dependent care benefits	
11. Nonqualified plans		12a.	
14. Other		12b.	
		12c.	
		12d.	
		13. Stat Emp	Ret plan
c. Employee's name, address and ZIP code JOHN ADDAMS 1918 SLEEPY HOLLOW PEPPER PIKE, OHIO			
15.State OH	Employer state ID no 51-1234567	16. State wages, tips, etc. 100000.00	
17. State income tax 1316.67		18. Local wages, tips, etc. 60000.00	
19. Local income tax 600.00		20. Locality name PEPPER PIKE	
Federal Filing Copy			
W-2		Wage and Tax 2023	

Form 37 Example

- Example how to complete Form 37 when using hybrid W2 data.

Tax Year 2023 – Form 37 Example

EXAMPLE

- John Addams
- Lives in Pepper Pike
- Earned \$100,000 in 2023
- Worked a Hybrid schedule, 2 days in office in Brecksville and 3 days at home in Pepper Pike.
- Employer correctly withheld workplace tax for both locations in the hybrid schedule.

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return 2023 Do not use staples, tape or glue	2023	 REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com
----------------	-----------------------------------------------------------------------------------------------------------------	-------------	--------------------------------	---------------------------------------------------

Your social security number 400-00-0000	Spouse's social security number
Your first name and middle initial JOHN ADDAMS	Last name
If a joint return, spouse's first name and middle initial	Last name
CURRENT MAILING address (number and street) 1918 SLEEPY HOLLOW	Apt #
City, state, and ZIP code PEPPER PIKE, OH	
Daytime phone number	Evening phone number

Filing Status:

Single or Married Filing Separately

Joint

If you have an EXTENSION check here and attach a copy: EXTENSION

If this is an AMENDED return, check here:

In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.

Residency Status in RITA Municipalities:

Full-Year Part-Year Non-Resident

City/Village/Township of Residence - Required

In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. **Why?** Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.

Effective Date	City/ Village/ Township	Address
1/1/2023	PEPPER PIKE	1918 SLEEPY HOLLOW

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 **ONLY** (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. **DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.**

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	40,000	800		BRECKSVILLE	PEPPER PIKE	01/01/23	12/31/23	
	60,000	600		PEPPER PIKE	PEPPER PIKE	01/01/23	12/31/23	
Totals	100,000	1,400	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.				

Caution Tax balances are due by **April 15, 2024**. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.

Tax Year 2023 – Form 37 Example

ON PAGE 1:

- John completes the demographic section at the top
 - Single Filer check box
 - Full Year Resident check box
- Indicates Pepper Pike as City of Residence.

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return 2023 Do not use staples, tape or glue	2023	 RITA REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com
Your social security number 400-00-0000		Spouse's social security number		Filing Status: <input checked="" type="checkbox"/> Single or Married Filing Separately <input type="checkbox"/> Joint If you have an EXTENSION check here and attach a copy: <input type="checkbox"/> EXTENSION If this is an AMENDED return, check here: <input type="checkbox"/> In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Your first name and middle initial JOHN ADDAMS		Last name		
If a joint return, spouse's first name and middle initial		Last name		Residency Status in RITA Municipalities: <input checked="" type="checkbox"/> Full-Year <input type="checkbox"/> Part-Year <input type="checkbox"/> Non-Resident
CURRENT MAILING address (number and street) 1918 SLEEPY HOLLOW			Apt #	
City, state, and ZIP code PEPPER PIKE, OH				
Daytime phone number		Evening phone number		
City/Village/Township of Residence - Required In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. Why? Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.				
Effective Date	City/ Village/ Township	Address		
1/1/2023	PEPPER PIKE	1918 SLEEPY HOLLOW		

Tax Year 2023 – Form 37 Example

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.

ALSO ON PAGE 1:

- John completes Section A.
 - \$40,000 earned in Brecksville for his 2 days in office.
 - \$60,000 earned in Pepper Pike for his 3 days from home.
 - This Section A example is how we need to see this reported regardless of which W2 example the employee has.

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	40,000	800		BRECKSVILLE	PEPPER PIKE	01/01/23	12/31/23	
	60,000	600		PEPPER PIKE	PEPPER PIKE	01/01/23	12/31/23	
Totals	100,000	1,400	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages – Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 **ONLY** (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. **DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.**

What not to do

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	100,000	800		BRECKSVILLE	PEPPER PIKE	01/01/23	12/31/23	
		600		PEPPER PIKE	PEPPER PIKE	01/01/23	12/31/23	
Totals	100,000	1,400	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.				
Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 **ONLY** (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. **DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.**

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	100,000	800	600	BRECKSVILLE	PEPPER PIKE	01/01/23	12/31/23	
Totals	100,000	800	600	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.				
Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

Reporting it either of these ways, will cause a delay in processing.

Tax Year 2023 – Form 37 Example

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.

ALSO ON PAGE 1:

- John completes Section A.
 - \$40,000 earned in Brecksville for his 2 days in office.
 - \$60,000 earned in Pepper Pike for his 3 days from home.
 - This Section A example is how we need to see this reported regardless of which W2 example the employee has.

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	40,000	800		BRECKSVILLE	PEPPER PIKE	01/01/23	12/31/23	
	60,000	600		PEPPER PIKE	PEPPER PIKE	01/01/23	12/31/23	
Totals	100,000	1,400	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages – Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

Tax Year 2023 – Form 37 Example

ON PAGE 2:

- John completes the resident tax calculation for Pepper Pike.

- Line 1a \$100,000 total earnings
- Line 3 \$1,000 gross tax due Pepper Pike

1	a	Total W-2/W-2G income from Page 1, Section A, Column 1.	1a	100,000	
	b	Total self-employment, rental, partnership, and (if applicable) S-Corp. income as well as any other taxable income from Page 3, Schedule J, Line 29, Column 7. If less than zero, enter -0-.	1b		
2		Total taxable income. Add Lines 1a and 1b.	2	100,000	
3		Multiply Line 2 by the tax rate of your resident municipality from the tax table. Enter the tax rate of your resident municipality here: 1.0	3		1,000

- John then moves into the credit portion of the form.
 - Line 4a is the tax withheld for all municipalities other than his municipality of residence.

4	a	Tax withheld for all municipalities other than your municipality of residence from Page 1, Section A, Column 2. Do not enter estimated tax payments.	4a	800	
	b	Direct payments from Page 3, Schedule K, Line 37. Do not enter tax withheld from your wages and/or estimated tax payments on this line.	4b		
5	a	Add Lines 4a and 4b.	5a	800	
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 1.0	5b	400	

Tax Year 2023 – Form 37 Example

ALSO ON PAGE 2:

- John completes the Credit Rate worksheet.
 - Only use income earned in Brecksville to compute credit.
 - \$40,000 X 1.0% credit rate for Pepper Pike equals \$400 credit for withholding.
- Carry the \$400 to line 5b.
- Less of withholding or Credit rate on line 5c.
- Multiply 5c by Pepper Pike Credit Factor of 50%.
- Credit on line 6 is \$200.
- Enter the \$600 tax withheld for Pepper Pike on line 7a.
- Total credit on line 8 is \$800.

Credit Rate Worksheet (enter each wage separately):

A Wages/Income earned outside of resident municipality	B Credit Rate for resident municipality from taxable	C Maximum credit (multiply Column A by Column B)	D Workplace tax withheld/paid	E Tentative Credit Enter lesser of Columns C or D
40,000	1.00000	400	800	400
Enter amount from WORKSHEET L, Row 17, Column 7				
Total Tentative Credit: Enter on Section B, Line 5b, above.				400

5	a	Add Lines 4a and 4b.	5a	800
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 1.0	5b	400
	c	Enter the smaller of Line 5a or Line 5b.	5c	400
6		Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor: 50	6	200
7	a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a	600
	b	Tax paid by your partnership/S-Corp./trust to YOUR RESIDENT municipality (from Worksheet R)	7b	
8		Total credits allowable. (Add Lines 6, 7a, and 7b.)	8	800

Tax Year 2023 – Form 37 Example

ON PAGE 2:

- Tax Due on lines 9 and 12 to Pepper Pike is \$200.
 - \$1,000 tax -\$800 credit.
- John made \$300 in estimated payments as shown on line 13.
- Balance due for 2022 on line 16 is \$0.
- John has an overpayment of \$100 which he has chosen to be refunded to him on line 19.
- John sets up a \$200 estimate for 2024 on line 20a.
- Shows 25% of estimate on line 20b and 21.
- John needs to pay the total due on line 22 of \$50 by April 15, 2024.

9	Subtract Line 8 from Line 3.	9	200	
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10		
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11		
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).	12	200	
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13	300	
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.	15	300	
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.	16	0	
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT .	17	100	
18	Amount you want credited to your 2024 estimated tax.	18		
19	Amount to be refunded. You may not split an overpayment between a refund and a credit. Amounts \$10 or less will not be refunded. Allow 90 days for your refund.	19	100	
20	a Enter 2024 estimated tax in full (see instructions). Estimates are due 4/15/24, 6/15/24, 9/15/24 and 1/15/25.	20a	200	
	b Enter first quarter estimate (1/4 of Line 20a).	20b	50	
21	Subtract Line 18 from Line 20b.	21	50	
22	TOTAL DUE by April 15, 2024. Add Lines 16 and 21.	22	50	

Tax Year 2023 – Form 37 Reminders

Tax Year 2023 Form 37 Instructions for School District Tax

Column 2: Enter the total amount of local/municipal income tax withheld from your wages/winnings for the municipality where you worked or won. **Do not include any school district taxes withheld from your wages.** If you have received or applied for a refund of any tax withheld from your wages you must reduce the amount of withholding you report in this column by the refund amount.

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return 2023 Do not use staples, tape or glue	2023	 RITA REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com				
Your social security number	Spouse's social security number		Filing Status: <input type="checkbox"/> Single or Married Filing Separately <input type="checkbox"/> Joint					
Your first name and middle initial	Last name		If you have an EXTENSION check here and attach a copy: <input type="checkbox"/> EXTENSION					
If a joint return, spouse's first name and middle initial	Last name		If this is an AMENDED return, check here: <input type="checkbox"/> In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.					
CURRENT MAILING address (number and street)			Apt #					
City, state, and ZIP code								
Daytime phone number		Evening phone number						
Residency Status in RITA Municipalities: <input type="checkbox"/> Full-Year <input type="checkbox"/> Part-Year <input type="checkbox"/> Non-Resident								
City/Village/Township of Residence - Required In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. Why? Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.								
Effective Date	City/ Village/ Township	Address						
1/1/2023								
Section A List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of locality tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.								
Paperclip Locality copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	Totals	0	0	0				
For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.								
	Tax balances are due by April 15, 2024 . Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

FastFile

MyAccount

FastPay



Forms



Individuals



Businesses



Tax Professionals



News & Updates



Municipal Income Tax



RITA Municipalities



RITA Map



Tax Rates



Resources



About



Contact



FAQs

[See News and Important Updates for the Latest](#)

Type & Press Enter



Antwerp

Paulding County

<http://villageofantwerp.com>

RITA Start Date: 01/01/2011

Recent Tax and Credit History

From Date	Thru Date	Tax Rate	Credit Factor (Tax Credit)	Credit Rate (Credit Limit)
01/01/2018	current	1.000%	50.000%	1.000%

* History displayed for the past 7 years.

Special Notes and Tax Documents

Tax Year 2016 and After

RULES & REGULATIONS

[View Document](#)

TAX ORDINANCE

[View Document](#)

2106 BUSINESS EXPENSES

Beginning with Tax Year 2018, the unreimbursed employee expense (2106) deduction is eliminated for federal income tax purposes for most employees. For Tax Year 2017 and prior, 2106 Business Expenses are limited to the amount deductible for federal tax purposes.

ADDITIONAL RULES

Residents may take credit for Indiana county income tax paid on the same wages taxable in Antwerp.

AGE EXEMPTION

Individuals under 18 years of age are exempt from paying municipal income tax.

BALANCE DUE/OVERPAYMENT INFORMATION

Amounts under \$10.01 will not be collected or refunded. The \$10.01 de minimis threshold does not apply to amounts required to be withheld by employers.

ESTIMATED PAYMENT REQUIREMENTS

Quarterly payments of estimated tax are required if the anticipated amount due is \$200 or more.

LOTTERY/GAMBLING WINNINGS

Lottery and gambling winnings are taxable - no minimum. Gambling losses may not offset gambling winnings unless the taxpayer is a professional gambler per IRS regulations.

NET OPERATING LOSS

Beginning with losses incurred in 2017 and thereafter, a net operating loss may be carried forward for 5 years. For taxable years beginning in 2018, 2019, 2020, 2021 and 2022, losses are subject to a 50% phase-in limitation. The amount of net operating loss carry forward that may be utilized in tax years 2018 through 2022 is limited to the lesser of 50% of the carried forward loss or 50% of that year's income. For taxable years beginning in 2023 and thereafter, a net operating loss is no longer limited to a 50% phase-in limitation and the full loss may be used.

S-CORPS

S-Corp distributive shares that do not represent wages are generally not taxable and should not be reported on Form 37.

WITHHOLDING FILING FREQUENCY

If withholding amount is \$2,400 or more in the immediately preceding calendar year or more than \$200 in any one month of the preceding calendar quarter, file monthly - due date is the 15th day of the following month. All employers not required to file monthly, file quarterly - due date is the last day of the month following the end of the quarter.

Tax Year 2023 – Form 37 Reminders

Tax Year 2023 Form 37 Instructions for School District Tax

Column 2: Enter the total amount of local/municipal income tax withheld from your wages/winnings for the municipality where you worked or won. **Do not include any school district taxes withheld from your wages.** If you have received or applied for a refund of any tax withheld from your wages you must reduce the amount of withholding you report in this column by the refund amount.

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return 2023 Do not use staples, tape or glue	2023	 RITA REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com				
Your social security number	Spouse's social security number		Filing Status: <input type="checkbox"/> Single or Married Filing Separately <input type="checkbox"/> Joint					
Your first name and middle initial	Last name		If you have an EXTENSION check here and attach a copy: <input type="checkbox"/> EXTENSION					
If a joint return, spouse's first name and middle initial	Last name		If this is an AMENDED return, check here: <input type="checkbox"/> In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.					
CURRENT MAILING address (number and street)			Apt #					
City, state, and ZIP code								
Daytime phone number		Evening phone number						
Residency Status in RITA Municipalities: <input type="checkbox"/> Full-Year <input type="checkbox"/> Part-Year <input type="checkbox"/> Non-Resident								
City/Village/Township of Residence - Required In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. Why? Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.								
Effective Date	City/ Village/ Township	Address						
1/1/2023								
Section A List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of locality tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.								
Paperclip Locality copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	Totals	0	0	0				
For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.								
Caution Tax balances are due by April 15, 2024 . Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.								

Tax Year 2023 – Form 37 Reminders

Tax Year 2023 Form 37 Instructions for Refunded Withholding

Line 4a – Tax Withheld for Workplace Municipality: Enter the total tax withheld from Section A, Column 2. Do not include withholding for your resident municipality or school district on this line. **Do not include any amounts that are refunded to you.**

Form 37 (2023)

Page 2

Section B

For NON W-2/ Schedule income see Pages 3-5 before starting Section B.

Withheld taxes shown on your W-2 forms are reported on either Line 4a or 7a.

If your resident municipality's credit rate is 0%; enter -0- on Line 5b, 5c and Line 6 and go to Line 7a. You do not need to complete the Credit Rate Worksheet.

Refunds: To avoid delays in processing your refund, mail your return to the PO BOX address listed in the lower right hand corner of this page.

Refunds of tax withheld from your wages must be applied for on Form 10A. Download Form 10A at ritachio.com

1 a	Total W-2/W-2G income from Page 1, Section A, Column 1.	1a		
b	Total self-employment, rental, partnership, and (if applicable) S-Corp. income as well as any other taxable income from Page 3, Schedule J, Line 29, Column 7. If less than zero, enter -0-.	1b		
2	Total taxable income. Add Lines 1a and 1b.	2		
3	Multiply Line 2 by the tax rate of your resident municipality from the tax table. Enter the tax rate of your resident municipality here.		3	
4 a	Tax withheld for all municipalities other than your municipality of residence from Page 1, Section A, Column 2. Do not enter estimated tax payments.	4a		
b	Direct payments from Page 3, Schedule K, Line 37. Do not enter tax withheld from your wages and/or estimated tax payments on this line.	4b		
5 a	Add Lines 4a and 4b.	5a		
b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate:	5b		
c	Enter the smaller of Line 5a or Line 5b.	5c		
6	Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor:	6		
7 a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a		
b	Tax paid by your partnership/S-Corp./trust to YOUR RESIDENT municipality (from Worksheet R)	7b		
8	Total credits allowable. (Add Lines 6, 7a, and 7b.)		8	
9	Subtract Line 8 from Line 3.	9		
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10		
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11		
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).		12	
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13		
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.		15	
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.		16	
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT .		17	
18	Amount you want credited to your 2024 estimated tax.	18		
19	Amount to be refunded. You may not split an overpayment between a refund and a credit. Amounts \$10 or less will not be refunded. Allow 90 days for your refund.	19		
20 a	Enter 2024 estimated tax in full (see instructions). Estimates are due 4/15/24, 6/15/24, 9/15/24 and 1/15/25.	20a		
b	Enter first quarter estimate (1/4 of Line 20a).	20b		
21	Subtract Line 18 from Line 20b.		21	
22	TOTAL DUE by April 15, 2024. Add Lines 16 and 21.		22	

Refunds

10A Form Updates and Examples

Form 37 Refunds

- Need to Know Items
- Completing the form correctly
- Common Errors

Tax Year 2023 – Form 10A

Tax Year 2023 Form 10A Changes

- Use 2023 Form.
- Update to the form requesting Form 10A and Form 37 be mailed together.
- Detailed explanation added to Claim #10.

Form 10A		Regional Income Tax Agency Application for Municipal Income Tax Refund PO Box 95422 Cleveland, OH 44101-0033	
Your social security number		Tax year of claim 2023	
Your first name and middle initial	Last name		
Current home address (number and street)		Apt #	
City, state, and ZIP code			

To **avoid delays** in your refund request, please review the instruction page for guidelines and claim specifics.
If filing a Form 37 and 10A, attach 10A to your completed return and mail them together to the Form 10A address.

Frequently asked questions regarding Refunds can be found on ritaohio.com under FAQs/Individual FAQ/Refunds.

Contact phone number: _____

10. **Refund of overpayment on account** if you have already filed Form 37 or you are not required to file. Employer certification is not required. **This reason should not be selected if requesting a refund for taxes withheld by your employer.** Use applicable reasons 1-9 for requests for taxes withheld by your employer.

Tax Year 2023

Tax Year 2023 Form 10A

Your social security number		Tax year of claim 2022
Your first name and middle initial	Last name	
Current home address (number and street)		Apt #
City, state, and ZIP code		

Reason for Claim

To **avoid delays** in your refund request, please review the instruction page for guidelines and claim specifics. Frequently asked questions regarding Refunds can be found on RITAOhio.com under FAQs/Individual FAQ/Refunds.

Contact phone number: _____

Check here if you worked outside of your normal workplace for any time in 2022 in continued response to the pandemic. See Checkbox No. 2 and Checkbox No. 3 below.

Your social security number		Tax year of claim 2023
Your first name and middle initial	Last name	
Current home address (number and street)		Apt #
City, state, and ZIP code		

Reason for Claim

To **avoid delays** in your refund request, please review the instruction page for guidelines and claim specifics. **If filing a Form 37 and 10A**, attach 10A to your completed return and mail them together to the Form 10A address.

Frequently asked questions regarding Refunds can be found on ritaohio.com under FAQs/Individual FAQ/Refunds.

Contact phone number: _____



- Pandemic related check box has been removed.
- Use claims 2 or 3 when requesting days WFH or travel.

- Days Worked From Home.** Days worked outside of municipality for which the employer withheld tax, and instead you worked from home (remote). Attach a copy of your W-2 Form, a completed Log of Days Out Worksheet on page 3, and a completed Calculation of Days Worked Out of RITA on page 3. Your employer must sign the Employer Certification on page 2.
- Other Days Worked Outside of municipality** for which the employer withheld tax (other than days worked at home). Attach a copy of your W-2 Form, a completed Log of Days Out Worksheet on page 3, and a completed Calculation of Days Worked Out of RITA on page 3. In addition, your employer must sign the Employer Certification on page 2.

Tax Year 2023

Tax Year 2023 Form 10A Employer Certification

- Verification of the number of days the employee worked in the withheld municipality.
- Verification that employer has not already refunded the withholding to the employee.

Form 10-A		Page 2	
Name of employee shown on page 1		Employee's SSN	Tax Year of Claim 2023
Calculation of Overpayment – Complete for Refund Claim Reasons 4 or 9			
A. Refund/Credit Calculation			
A 1	Total Wages from employee's W-2 Form	A-1	
2	Enter name of municipality for which tax was withheld	A-2	
3	Amount of municipal tax withheld to the municipality indicated on line A-2	A-3	
4	List the complete address where the employee physically performed the work or services. If the employee did not work within the limits of a municipality, skip lines A-5, A-6 and A-7, and enter -0- on line A-8	A-4	City, State, Zip Code
5	Enter the amount of municipal taxable wages earned in the municipality indicated on line A-4	A-5	
6	Enter the tax rate of the municipality indicated on line A-4	A-6	
7	Tax due to municipality where employee physically worked. Multiply line A-5 by the tax rate on line A-6	A-7	
8	If the municipality indicated on line A-4 is a RITA municipality, enter the amount from line A-7; otherwise enter -0-	A-8	
9	Amount of over-withheld tax to be refunded or credited. Subtract line A-8 from line A-3. Amounts \$10 or less will not be refunded or credited. Enter total on Page 1, line 4.	A-9	
B. Employee's Home Address			
The employee's home address for the period covered by this claim was:			
Employee's Home Street Address		City	State Zip
C. Employee's Employment Dates			
If the employee is still employed, enter "n/a" as the date of separation.			
Date of Hire		Date of Separation	
Employer Certification			
Employer Representative's Explanation of Reason for Refund and Signature			
The undersigned employer representative states that during the year referenced above the employer withheld municipal income tax from the above named employee in excess of the employee's liability; that the above referenced employee was employed during the period referenced above; that the employer has examined this claim for refund in its entirety including any accompanying schedules and statements; and that the employer representative can attest that the information reported on this claim with respect to time worked in the municipality withheld is true and accurate.			
In addition, the undersigned employer representative verifies that no portion of the over-withheld tax has been or will be refunded directly to the employee by the employer, and that no adjustments to the employer's withholding account related to this claim have been or will be made.			
Representative's Signature	Representative's Title	Date	Representative's Phone Number
Print Representative's Name	Print Representative's Title	Explanation of Reason for Refund (example--"taxpayer works from home 4 days")	
Taxpayer's Signature			
Under penalties of perjury, I declare that I have examined this claim, and to the best of my knowledge and belief, it is true, correct and complete. I understand that this information may be released to the tax administrator of the resident or workplace municipality and the Internal Revenue Service. I further understand that if this refund changes my RITA residence tax, an amended return must be filed before the refund will be issued. I also understand that if I have an unpaid balance due, this refund will be applied to that balance due.			
Taxpayer's Signature	Date	Taxpayer's Daytime Phone	Taxpayer's Evening Phone
To avoid delays:		Mail with required documentation to:	
<ul style="list-style-type: none"> • Mail this form along with the required documents indicated under your "Reason for Claim" on page 1 to the address shown at right; and • If filing Form 37, attach the 10A to the completed return and mail them together. 		Regional Income Tax Agency PO Box 95422 Cleveland, OH 44101-0033	

Form 10A/37 Example

- **EXAMPLE**
- RITA resident fully withheld for work city but worked a hybrid schedule with days at home.
- Form 10A
- Form 37

Tax Year 2023 – Form 10A Example

EXAMPLE

- Taylor Swift
- Works in Berea, lives in Westlake.
- Earned \$120,000 in 2023.
- Full year hybrid schedule 2 days in office, 3 days at home.
- Had 40 vacation/sick/holidays.

Form 10A	Regional Income Tax Agency Application for Municipal Income Tax Refund PO Box 95422 Cleveland, OH 44101-0033		 RITA REGIONAL INCOME TAX AGENCY	800.860.7482 TDD 440.526.5332 ritaohio.com
	Your social security number 123-45-6789	Tax year of claim 2023		To avoid delays in your refund request, please review the instruction page for guidelines and claim specifics. If filing a Form 37 and 10A, attach 10A to your completed return and mail them together to the Form 10A address. Frequently asked questions regarding Refunds can be found on ritaohio.com under FAQs/Individual FAQ/Refunds. Contact phone number: (123) 867-5309
Your first name and middle initial TAYLOR	Last name SWIFT	Current home address (number and street) 123 KELCE WAY		
City, state, and ZIP code WESTLAKE, OH 44145		Apt #		
City, state, and ZIP code WESTLAKE, OH 44145				

Reason for Claim

Check the Box below that applies.

- A separate 10A is required if you have multiple W-2 forms, or for each municipality from which a refund is requested.
- No refunds will be issued without the proper documentation indicated by reason for claim.

1. **Age Exemption.** Date of Birth _____ (MMDDYYYY) Attach a copy of your W-2 form and proof of birthdate (birth certificate, driver's license, etc.). If you were under age for only part of the year, you must either: (1) have your employer sign the completed Employer Certification on page 2; or (2) attach a copy of your pay stub for the pay period in which your birthday fell. Exceptions to the under 18 years of age exemption exist. For age exemption qualifications, visit ritaohio.com, select the RITA municipality in which you worked and review the Special Notes section that relates to the appropriate tax year.
2. **Days Worked From Home. Days worked outside of municipality for which the employer withheld tax, and instead you worked from home (remote).** Attach a copy of your W-2 Form, a completed Log of Days Out Worksheet on page 3, and a completed Calculation of Days Worked Out of RITA on page 3. Your employer must sign the Employer Certification on page 2.
3. **Other Days Worked Outside of municipality for which the employer withheld tax (other than days worked at home).** Attach a copy of your W-2 Form, a completed Log of Days Out Worksheet on page 3, and a completed Calculation of Days Worked Out of RITA on page 3. In addition, your employer must sign the Employer Certification on page 2.
4. **Employer withheld at a rate higher than the employment municipality's tax rate.** Attach a copy of your W-2 Form and a completed Calculation of Overpayment on page 2. Your employer must sign the Employer Certification on page 2.
5. **Employer withheld too much (over-withheld) residence municipality tax.** Attach a copy of your W-2 Form. Your employer must sign the Employer Certification on page 2.
6. **Withheld by mistake for the municipality of _____** when I actually worked in the municipality of _____. Attach a copy of your W-2 Form. Your employer must sign the Employer Certification on page 2.
Indicate the address where you actually worked in the box below.

Work Location Street Address	City	State	Zip
7. **Over-the-road truck driver.** The wages of an interstate truck driver regularly assigned to drive in more than one state are only taxable by the driver's municipality of residence. Intrastate truck drivers may be eligible to receive up to a 90% refund from their principal place of work. (A logging of your work locations, to support a refund of the tax withheld from your principal place of work is required). Attach a copy of your W-2. In addition, your employer must sign the Employer Certification (pg. 2).
8. **Military Spouse Residency Relief Act.** Attach copies of W-2 Form, Form DD 2058, valid military spouse ID card and service member's most recent LES. Only the completion of the Claim Summary below is required.
9. **Other (Indicate Reason).** Attach W-2 Form and other applicable documentation, and a completed Calculation of Overpayment on page 2. Your employer must sign the Employer Certification on page 2.
10. **Refund of overpayment on account** if you have already filed Form 37 or you are not required to file. Employer certification is not required. **This reason should not be selected if requesting a refund for taxes withheld by your employer.** Use applicable reasons 1-9 for requests for taxes withheld by your employer.

Claim Summary – Submit one claim per form. Please complete a separate 10A if multiple employers/municipalities exist.

1 Employer Federal ID # 987654321	1	Employer Name CLEVELAND BROWNS FOOTBALL
2 RITA Municipality for which tax was withheld (from W-2, Box 20). RITA cannot refund tax withheld to a Non-RITAmunicipality	2	BEREA
3 Amount of income not taxable. Enter -0- for reasons 4 and 5. For all other reasons enter the amount of wages you are claiming are nontaxable	3	81828
4 Amount of over withholding claimed (Box A-9 on page 2 or Line 10 on page 3)	4	1637
5 Amount of over withholding you want applied as a payment to your individual or joint account instead of being refunded to you. Enter -0- if you want all of your refund sent to you	5	1227
Provide the social security number of the account to which you want the amount on line 5 to be credited	SSN of account to be credited	
6 Net amount to be refunded. Subtract line 5 from line 4. Amounts \$10 or less will not be refunded.	6	410

Tax Year 2023 – Form 10A Example

ON PAGE 1:

- Taylor completes the demographic section at the top.
- Chooses Claim Reason #2 for Days Worked from Home.

Form 10A	Regional Income Tax Agency Application for Municipal Income Tax Refund PO Box 95422 Cleveland, OH 44101-0033
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800.860.7482
TDD 440.526.5332
ritaohio.com

Your social security number 123-45-6789	Tax year of claim 2023
Your first name and middle initial TAYLOR	Last name SWIFT
Current home address (number and street) 123 KELCE WAY	Apt #
City, state, and ZIP code WESTLAKE, OH 44145	

To **avoid delays** in your refund request, please review the instruction page for guidelines and claim specifics. **If filing a Form 37 and 10A**, attach 10A to your completed return and mail them together to the Form 10A address.

Frequently asked questions regarding Refunds can be found on ritaohio.com under FAQs/Individual FAQ/Refunds

Contact phone number: (123) 867-5309

Reason for Claim

Check the Box below that applies.

- A separate 10A is required if you have multiple W-2 forms, or for each municipality from which a refund is requested.
 - No refunds will be issued without the proper documentation indicated by reason for claim.
- (MMDD/YYYY)
- Age Exemption.** Date of Birth _____ Attach a copy of your W-2 form and proof of birthdate (birth certificate, driver's license, etc.). If you were under age for only part of the year, you must either: (1) have your employer sign the completed Employer Certification on page 2; or (2) attach a copy of your pay stub for the pay period in which your birthday fell. Exceptions to the under 18 years of age exemption exist. For age exemption qualifications, visit ritaohio.com, select the RITA municipality in which you worked and review the Special Notes section that relates to the appropriate tax year.
 - Days Worked From Home.** Days worked outside of municipality for which the employer withheld tax, and instead you worked from home (remote). Attach a copy of your W-2 Form, a completed Log of Days Out Worksheet on page 3, and a completed Calculation of Days Worked Out of RITA on page 3. Your employer must sign the Employer Certification on page 2.

Tax Year 2023 – Form 10A Example

ON PAGE 3:

- Taylor completes the Calculation of Days Worked Outside of RITA Municipality.

Calculation of Days Worked Outside of RITA Municipality – Complete for Refund Claim Reasons 2 or 3.

1	Total workdays available. If you normally work a 5 day work week and you worked for your employer for the entire year, enter 260 (52 weeks times 5 days). Otherwise, enter the number of days you normally worked in a week times the number of weeks worked (cannot exceed 260).	1	260
2	Days not worked. Enter total number of days included on line 1 that you did not work due to holidays, personal days, sick days, and vacation days	2	40
3	Total days actually worked. Subtract line 2 from line 1	3	220
4	Days worked outside of the municipality for which tax was withheld. A log of days out must be included (see below). For purposes of this refund claim, if you worked in another municipality that has an income tax, the wages earned in that municipality are subject to tax in that municipality.	4	150
5	Days worked in the municipality for which tax was withheld. Subtract line 4 from line 3	5	70
6	Percentage of wages earned in the municipality. Divide line 5 by line 3	6	31.81%
7	Total municipal taxable wages. For most taxpayers, this is the larger of Box 5 or 18 from your W-2	7	120,000
7A	Amount of municipal tax withheld to the municipality (W-2 Box 19)	7A	2,400
8	Wages taxable to municipality for which tax was withheld. Multiply line 6 by line 7	8	38,172
8A	Multiply line 8 by workplace tax rate	8A	763
			Tax Rate 2.0%
9	Wages not taxable to municipality for which tax was withheld. Subtract line 8 from line 7. Enter here and on Page 1, line 3	9	81,828
10	Amount of over withholding claimed. Amount of over withholding claimed. Subtract line 8A from line 7A. Enter here and on Page 1, line 4	10	1,637

Tax Year 2023 – Form 10A Example

FOR TAX YEAR 2023 TAYLOR:

- Has \$81,828 not applicable to Berea withholding, for an \$1637.00 gross refund amount.
- Owes Westlake \$1227 on the non-taxed income.
- Is transferring \$1227 from her refund to her individual account to cover tax due Westlake.
- Is due a net Refund of \$410.00

Claim Summary – Submit one claim per form. Please complete a separate 10A if multiple employers/municipalities exist.

1 Employer Federal ID # 987654321	1 Employer Name CLEVELAND BROWNS FOOTBALL
2 RITA Municipality for which tax was withheld (from W-2, Box 20). RITA cannot refund tax withheld to a Non-RITA municipality	2 BEREA
3 Amount of income not taxable. Enter -0- for reasons 4 and 5. For all other reasons enter the amount of wages you are claiming are nontaxable	3 81828
4 Amount of over withholding claimed (Box A-9 on page 2 or Line 10 on page 3)	4 1637
5 Amount of over withholding you want applied as a payment to your individual or joint account instead of being refunded to you. Enter -0- if you want all of your refund sent to you	5 1227
Provide the social security number of the account to which you want the amount on line 5 to be credited	SSN of account to be credited
6 Net amount to be refunded. Subtract line 5 from line 4. Amounts \$10 or less will not be refunded.	6 410

*Note - If taxpayer is a secondary and requests a credit for a joint account balance due, report the primary's SSN here.

Tax Year 2023 – Form 10A Example

ON PAGE 2:

- Taylor’s employer completes and signs the Employer Certification.
- Taylor signs the form and mails to the Address for refunds listed on the form.

Employer Certification			
Employer Representative’s Explanation of Reason for Refund and Signature The undersigned employer representative states that during the year referenced above the employer withheld municipal income tax from the above named employee in excess of the employee’s liability; that the above referenced employee was employed during the period referenced above; that the employer has examined this claim for refund in its entirety including any accompanying schedules and statements; and that the employer representative can attest that the information reported on this claim with respect to time worked in the municipality withheld is true and accurate.			
In addition, the undersigned employer representative verifies that no portion of the over-withheld tax has been or will be refunded directly to the employee by the employer, and that no adjustments to the employer’s withholding account related to this claim have been or will be made.			
_____ Representative’s Signature	HR Manager _____ Representative’s Title	01/08/2024 _____ Date	(440) 526-0900 _____ Representative’s Phone Number
_____ Print Representative’s Name	_____ Print Representative’s Title	Hybrid Work Schedule _____	Explanation of Reason for Refund (example–“taxpayer works from home 4 days”) _____
Taxpayer’s Signature Under penalties of perjury, I declare that I have examined this claim, and to the best of my knowledge and belief, it is true, correct and complete. I understand that this information may be released to the tax administrator of the resident or workplace municipality and the Internal Revenue Service. I further understand that if this refund changes my RITA residence tax, an amended return must be filed before the refund will be issued. I also understand that if I have an unpaid balance due, this refund will be applied to that balance due.			
_____ Taxpayer’s Signature	01/08/2024 _____ Date	_____ Taxpayer’s Daytime Phone	_____ Taxpayer’s Evening Phone
To avoid delays: <ul style="list-style-type: none">• Mail this form along with the required documents indicated under your “Reason for Claim” on page 1 to the address shown at right; and• If filing Form 37, attach the 10A to the completed return and mail them together.			
Mail with required documentation to: Regional Income Tax Agency PO Box 95422 Cleveland, OH 44101-0033			

Tax Year 2023 – Form 37

Form 37 Example

- Taylor Swift 2023 Form 37
 - From Form 10A Example 1

Tax Year 2023 – Form 37 Example

ON PAGE 1:

- Taylor completes the demographic section at the top
 - Single Filer check box
 - Full Year Resident check box
- Indicates Westlake as resident city.

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return 2023		 REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com
	Do not use staples, tape or glue			

Your social security number 123-45-6789	Spouse's social security number
Your first name and middle initial TAYLOR	Last name SWIFT
If a joint return, spouse's first name and middle initial	Last name
CURRENT MAILING address (number and street) 123 KELCE WAY	Apt #
City, state, and ZIP code WESTLAKE, OH 44145	
Daytime phone number (123) 867-5309	Evening phone number

Filing Status:
 Single or Married Filing Separately
 Joint

If you have an EXTENSION check here and attach a copy: EXTENSION

If this is an AMENDED return, check here:
 In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.

Residency Status in RITA Municipalities:
 Full-Year Part-Year Non-Resident

City/Village/Township of Residence - Required

In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. **Why?** Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.

Effective Date	City/ Village/ Township	Address
1/1/2023	WESTLAKE	123 KELCE WAY

Tax Year 2023 – Form 37 Example

ALSO ON PAGE 1:

- Taylor completes Section A.
 - Due to the refund from the workplace of Berea, Taylor will have 2 wage entries in Section A.
 - \$81,828 which represents the “non-taxed” income after the workplace tax refund from Berea.
 - \$38,172 which represents the “taxed” income from the 10A form.

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	81,828	0		NON-TAXING	WESTLAKE	01/01/23	12/31/23	
	38,172	763		BEREA	WESTLAKE	01/01/23	12/31/23	
Totals	120,000	763	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024 . Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com . It is easy to use, secure and will calculate your taxes immediately.							

Tax Year 2023 – Form 37 Example

ON PAGE 2:

- Taylor completes the resident tax calculation for Westlake
 - Line 1a \$120,000 total earnings.
 - Line 3 \$1,800 gross tax due to Westlake.
 - Line 4a is the amount of Berea tax withheld after deducting anticipated refund.

Form 37 (2023)

Page 2

Section B

For NON W-2/ Schedule income see Pages 3-5 before starting Section B.	1 a	Total W-2/W-2G income from Page 1, Section A, Column 1.	1a	120,000	
	b	Total self-employment, rental, partnership, and (if applicable) S-Corp. income as well as any other taxable income from Page 3, Schedule J, Line 29, Column 7. If less than zero, enter -0-.	1b	0	
	2	Total taxable income. Add Lines 1a and 1b.	2	120,000	
	3	Multiply Line 2 by the tax rate of your resident municipality from the tax table. Enter the tax rate of your resident municipality here: 1.50%			3
Withheld taxes shown on your W-2 forms are reported on either Line 4a or 7a.	4 a	Tax withheld for all municipalities other than your municipality of residence from Page 1, Section A, Column 2. Do not enter estimated tax payments.	4a	763	
	b	Direct payments from Page 3, Schedule K, Line 37. Do not enter tax withheld from your wages and/or estimated tax payments on this line.	4b	0	
	5 a	Add Lines 4a and 4b.	5a	763	
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 1.50%	5b	573	
	c	Enter the smaller of Line 5a or Line 5b.	5c	573	

Tax Year 2023 – Form 37 Example

Credit Rate Worksheet (enter each wage separately):

A Wages/Income earned outside of resident municipality	B Credit Rate for resident municipality from tax table	C Maximum credit (multiply Column A by Column B)	D Workplace tax withheld/paid	E Tentative Credit Enter lesser of Columns C or D
38,172	0.01500	573	763	573
81,828	0.01500	1,227	0	0
Enter amount from WORKSHEET L, Row 17, Column 7				
Total Tentative Credit: Enter on Section B, Line 5b, above.				573

- Carry this number to line 5b.
- Lesser of tax paid or maximum credit on line 5c.
- Multiply 5c by Westlake Credit Factor of 100%.
- Total tax credit allowed is \$573.

ALSO ON PAGE 2:

- Taylor completes the Credit Rate worksheet.
 - \$38,172 X 1.5% credit rate for Westlake equals \$573 credit for withholding.
 - Withholding for Berea anticipated refund is reported as “\$0” on WFH wages.

5	a	Add Lines 4a and 4b.	5a	763
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 1.50%	5b	573
	c	Enter the smaller of Line 5a or Line 5b.	5c	573
6		Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor: 100%	6	573
7	a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a	0
	b	Tax paid by your partnership/S-Corp/trust to YOUR RESIDENT municipality (from Worksheet H)	7b	0
8		Total credits allowable. (Add Lines 6, 7a, and 7b.)	8	573

Tax Year 2023 – Form 37 Example

ON PAGE 2:

- Tax Due on lines 9 and 12 to Westlake is \$1,227.
 - \$1,800 tax -\$573 credit.
- Taylor elected to apply \$1,227 of her refund to her account.
 - Report credit from 10A on line 14
- Balance due is \$0
- Taylor needs to sign and mail the form by April 15, 2024.

9	Subtract Line 8 from Line 3.	9	1,227	
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10	0	
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11	0	
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).			12 1,227
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13		
14	Credit carried forward from 2022.	14	1,227	
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.			15 1,227
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.			16 0

Tax Year 2023 – Form 37

Form 37 Example 2

- Ann Wilson 2023 Form 37
 - RITA resident with Non-RITA work city refund.

Tax Year 2023 – Form 37 Example 2

EXAMPLE

- Ann Wilson
- Works in Akron, lives in Wadsworth.
- Earned \$100,000 in 2023.
- Had days out in 2023 due to hybrid work schedule 60% in Akron, 40% at home in Wadsworth.
- Employer withheld in full for Akron.
- Applied for refund for Akron tax withheld while working from home.

Form	37	Regional Income Tax Agency RITA Individual Income Tax Return 2023 Do not use staples, tape or glue	 REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com
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Your social security number 100-00-0000	Spouse's social security number
Your first name and middle initial ANN	Last name WILSON
If a joint return, spouse's first name and middle initial	Last name
CURRENT MAILING address (number and street) 10 BARRACUDA BLVD	
City, state, and ZIP code WADSWORTH, OH 4421	
Daytime phone number (111) 555-5555	Evening phone number

Filing Status:
 Single or Married Filing Separately
 Joint

If you have an EXTENSION check here and attach a copy: EXTENSION

If this is an AMENDED return, check here:
 In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.

Residency Status in RITA Municipalities:
 Full-Year Part-Year Non-Resident

City/Village/Township of Residence - Required
 In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. Why? Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.

Effective Date	City/ Village/ Township	Address
1/1/2023	WADSWORTH	10 BARRACUDA BLVD

Section A
 List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 ONLY (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer's address shown on the W-2. If you did not work in a city or village enter "None" in Column 4. DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	60,000	1,500		AKRON	WADSWORTH	01/01/23	12/31/23	
	40,000	0		NON-TAXING	WADSWORTH	01/01/23	12/31/23	
Totals	100,000	1,500	0					

For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages - Go to Page 3, Schedule K, Line 34 to calculate tax due.

Caution Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct, and accurately lists all amounts and sources of municipal taxable income I received during the tax year.

Your Signature	Date	Preparer's Name (Please Print)	Date
Spouse's Signature if a joint return	Date	Preparer's Signature	ID Number

May RITA discuss this return with the preparer shown above? Yes No Preparer Phone #: _____

Filing is mandatory for most residents: see "Filing Requirements" on page 1 of the instructions for Form 37 exemptions.

Tax Year 2023 – Form 37 Example 2

Form 37	Regional Income Tax Agency RITA Individual Income Tax Return Do not use staples, tape or glue	2023	 RITA REGIONAL INCOME TAX AGENCY	800.860.7482 TDD: 440.526.5332 ritaohio.com

ON PAGE 1:

- Ann completes the demographic section at the top.
 - Single Filer check box
 - Full Year Resident check box
- Indicates Wadsworth as resident city.

Your social security number 100-00-0000	Spouse's social security number
Your first name and middle initial ANN	Last name WILSON
If a joint return, spouse's first name and middle initial	Last name
CURRENT MAILING address (number and street) 10 BARRACUDA BLVD	Apt #
City, state, and ZIP code WADSWORTH, OH 4421	
Daytime phone number (111) 555-5555	Evening phone number

Filing Status:

- Single or Married Filing Separately
 Joint

If you have an EXTENSION check here and attach a copy: EXTENSION

If this is an AMENDED return, check here:
 In the space provided below, state why you are filing an AMENDED return. Attach an explanation if you require additional space.

Residency Status in RITA Municipalities:

- Full-Year Part-Year Non-Resident

City/Village/Township of Residence - Required

In the boxes below, indicate the physical location of your residence(s) for all of 2023 and up to and including the date you file this return. This may be different from your mailing address. In addition, if you moved during 2023, list the effective date of the move into the city/village/township, and enter the city/village/township and address in the appropriate boxes. **Why?** Mailing address does not always correspond to the city/village/township in which you live. This required information determines the appropriate taxing jurisdiction for municipal income tax purposes. If you moved more than once, supply the additional information on a separate sheet.

Effective Date	City/ Village/ Township	Address
1/1/2023	WADSWORTH	10 BARRACUDA BLVD

Tax Year 2023 – Form 37 **Example 2**

ALSO ON PAGE 1:

- Ann completes Section A.
 - Due to the refund from the workplace of Akron, Ann will have 2 wage entries in Section A.
 - \$60,000 which represents the “taxed” income net of the refunded earnings.
 - \$40,000 which represents the “non-taxed” income after the workplace tax refund from Akron.

Section A

List all income from W-2 wages and W-2G winnings reported in 2023 and the amount of local/city tax withheld while living in a RITA municipality. In general, unless you moved into or out of a RITA municipality during the year, your taxable wages cannot be less than Medicare wages (Box 5 of your W-2). List all tax withheld for your resident municipality in Column 3 **ONLY** (even if you worked in the municipality where you lived). In Column 4, indicate the name of the municipality in which you physically worked. This may be different from the employer’s address shown on the W-2. If you did not work in a city or village enter “None” in Column 4. **DO NOT ENTER SCHOOL DISTRICT TAX IN COLUMNS 2 or 3.**

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6		
	W-2/W-2 G Income (see instructions for qualifying wages)	Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	60,000	1,500		AKRON	WADSWORTH	01/01/23	12/31/23	
	40,000	0		NON-TAXING	WADSWORTH	01/01/23	12/31/23	
Totals	100,000	1,500	0	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file or workplace wages – Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com. It is easy to use, secure and will calculate your taxes immediately.							

Tax Year 2023 – Form 37 Example 2

Form 37 (2023)

ON PAGE 2:

- Ann completes the resident tax calculation for Wadsworth.
 - Line 1a \$100,000 total earnings.
 - Line 3 \$1,400 gross tax due Wadsworth.
 - Line 4a is the amount of Akron tax withheld after deducting anticipated refund.

Section B

For NON W-2/ Schedule income see Pages 3-5 before starting Section B.	1 a	Total W-2/W-2G income from Page 1, Section A, Column 1.	1a	100,000	
	b	Total self-employment, rental, partnership, and (if applicable) S-Corp. income as well as any other taxable income from Page 3, Schedule J, Line 29, Column 7. If less than zero, enter -0-.	1b	0	
	2	Total taxable income. Add Lines 1a and 1b.	2	100,000	
	3	Multiply Line 2 by the tax rate of your resident municipality from the tax table. Enter the tax rate of your resident municipality here: <u>1.40%</u>			3 → 1,400
Withheld taxes shown on your W-2 forms are reported on either Line 4a or 7a.	4 a	Tax withheld for all municipalities other than your municipality of residence from Page 1, Section A, Column 2. Do not enter estimated tax payments.	4a	1,500	
	b	Direct payments from Page 3, Schedule K, Line 37. Do not enter tax withheld from your wages and/or estimated tax payments on this line.	4b	0	
	5 a	Add Lines 4a and 4b.	5a	1,500	
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: <u>1.00%</u>	5b	600	
	c	Enter the smaller of Line 5a or Line 5b.	5c	600	

Tax Year 2023 – Form 37 **Example 2**

Credit Rate Worksheet (enter each wage separately):

A Wages/Income earned outside of resident municipality	B Credit Rate for resident municipality from taxable	C Maximum credit (multiply Column A by Column B)	D Workplace tax withheld/paid	E Tentative Credit Enter lesser of Columns C or D
60,000	0.01000	600	1,500	600
40,000	0.01000	400	0	0
Enter amount from WORKSHEET L, Row 17, Column 7				
Total Tentative Credit: Enter on Section B, Line 5b, above.				600

- Carry this number to line 5b.
- Lesser of tax paid or maximum credit on line 5c.
- Multiply 5c by Westlake Credit Factor of 100%.
- Total tax credit allowed is \$600.

ALSO ON PAGE 2:

- Ann completes the Credit Rate worksheet.
 - \$60,000 x 1.00% credit rate for Wadsworth equals \$600 credit for withholding.
 - Withholding for Akron anticipated refund is reported as “\$0” on WFH wages.

5	a	Add Lines 4a and 4b.	5a	1,500
	b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 1.00%	5b	600
	c	Enter the smaller of Line 5a or Line 5b.	5c	600
6		Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor: 100%	6	600
7	a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a	0
	b	Tax paid by your partnership/S-Corp./trust to YOUR RESIDENT municipality (from Worksheet R)	7b	0
8		Total credits allowable. (Add Lines 6, 7a, and 7b.)	8	600

Tax Year 2023 – Form 37 **Example 2**

ALSO ON PAGE 2:

- Tax Due on lines 9 and 12 to Wadsworth is \$800.
 - \$1,400 tax - \$600 tax credit.
- Ann reports her estimate payments made to RITA on line 13.
- Balance due is \$400.
- Ann includes Q1 Estimate payment in balance due online 22.
- Ann needs to sign the form and mail with payment by April 15, 2024.

9	Subtract Line 8 from Line 3.	9	800	
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10		
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11		
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).	▶	12	800
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13	400	
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.		15	400
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.	▶	16	400
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT .		17	
18	Amount you want credited to your 2024 estimated tax .	18		
19	Amount to be refunded . You may not split an overpayment between a refund and a credit. Amounts \$10 or less will not be refunded. Allow 90 days for your refund.	19		
20 a	Enter 2024 estimated tax in full (see instructions). Estimates are due 4/15/24, 6/15/24, 9/15/24 and 1/15/25.	▶	20a	800
b	Enter first quarter estimate (1/4 of Line 20a).		20b	200
21	Subtract Line 18 from Line 20b.		21	
22	TOTAL DUE by April 15, 2024. Add Lines 16 and 21.		22	600

Helpful Hints for Better Processing

For all 10A forms:

- If required to file Form 37, mail together to 10A PO Box Address:
PO Box 95422
Cleveland, OH 44101-0033

- Attach all required documentation:
 - ✓ W2 forms
 - ✓ Employer certification
 - ✓ Logs of Days Worked Out
 - ✓ Birth Certificate, military or Visa documents, when applicable
 - ✓ Any related attachments or schedules
 - ✓ Any other relevant documents that support the refund claim

Helpful Hints for Better Processing

Form 37 Common Refund Mistakes

- Overpayment Refund/Credit split example
- Over withheld tax refund requested on Form 37 example

Tax Year 2023 – Form 37 Refund Example #1

12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).		12	300
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13	800	
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.		15	800
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.		16	
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT .		17	500
18	Amount you want credited to your 2024 estimated tax.	18	300	
19	Amount to be refunded. You may not split an overpayment between a refund and a credit. Amounts \$10 or less will not be refunded. Allow 90 days for your refund.	19	200	
20 a	Enter 2024 estimated tax in full (see instructions). Estimates are due 4/15/24, 6/15/24, 9/15/24 and 1/15/25.	20a		
20 b	Enter first quarter estimate (1/4 of Line 20a).	20b		
21	Subtract Line 18 from Line 20b.		21	
22	TOTAL DUE by April 15, 2024. Add Lines 16 and 21.		22	0

- Taxpayer overpaid estimates in 2023.
- Overpayment exceeds needed estimate for 2024.
- Attempts to split the overpayment to credit needed estimate and refund the difference.

Tax Year 2023 – Form 37 Refund Example #1

12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).	▶	12	300
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.		13	800
14	Credit carried forward from 2022.		14	
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.		15	800
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.	▶	16	
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT .		17	500
18	Amount you want credited to your 2024 estimated tax.		18	300
19	Amount to be refunded. <u>You may not split an overpayment</u> ★		19	200
20 a	Enter 2024 estimated tax in full (see instructions). Estimates are due 4/15/24, 6/15/24, 9/15/24 and 1/15/25.	▶	20a	
b	Enter first quarter estimate (1/4 of Line 20a).		20b	
21	Subtract Line 18 from Line 20b.		21	
22	TOTAL DUE by April 15, 2024. Add Lines 18 and 21.		22	0

- System does not allow for split application of overpayment.
- When the return completes processing, the overpayment will be set up for refund, and will likely refund 100% of the credit available.

Tax Year 2023 – Form 37 Refund Example #1

- What to do instead? File Form 37 with Form 10A Claim #10 and allocate overpayment.
- 10As are manually processed internally and a RITA agent will complete the request.

10. Refund of overpayment on account if you have already filed Form 37 or you are not required to file. Employer certification is not required. *This reason should not be selected if requesting a refund for taxes withheld by your employer. Use applicable reasons 1-9 for requests for taxes withheld by your employer.*

Claim Summary – Submit one claim per form. Please complete a separate 10A if multiple employers/municipalities exist.

1 Employer Federal ID #	1	Employer Name	
2 RITA Municipality for which tax was withheld (from W-2, Box 20). RITA cannot refund tax withheld to a Non-RITAmunicipality	2		
3 Amount of income not taxable. Enter -0- for reasons 4 and 5. For all other reasons enter the amount of wages you are claiming are nontaxable	3		
4 Amount of over withholding claimed (Box A-9 on page 2 or Line 10 on page 3)	4		
5 Amount of over withholding you want applied as a payment to your individual or joint account instead of being refunded to you. Enter -0- if you want all of your refund sent to you	5		200
Provide the social security number of the account to which you want the amount on line 5 to be credited		SSN of account to be credited	
6 Net amount to be refunded. Subtract line 5 from line 4. Amounts \$10 or less will not be refunded.	6		300

Tax Year 2023 – Form 37 Refund Example #2

- Taxpayer is over withheld for residence tax.

Paperclip Local/City copy of W-2/W-2G Forms and Check or Money Order Here Do not use staples, tape or glue	(see instructions for qualifying wages)	Column 2	Column 3	Column 4	Column 5	Column 6		
		Local/City Tax Withheld for Workplace/ Winning Municipality	Local/City Tax Withheld for Resident Municipality	Workplace/ Winning Municipality (City or village where you worked)	Resident Municipality (City or village where you lived)	Dates Wages Were Earned		Date of winnings
						From Date MM/DD/YY	Thru Date MM/DD/YY	Date Won MM/DD/YY
	60,000	1,200	1,200	INDEPENDENCE	BRECKSVILLE	01/01/23	12/31/20	
Totals	60,000	1,200	1,200	For Full or Part Year Residents in RITA Municipalities - Enter Section A, Column 1 Total onto Page 2, Line 1a; enter Column 2 Total onto Page 2, Line 4a; and enter Column 3 Total onto Page 2, Line 7a. For Non-Residents required to file on workplace wages – Go to Page 3, Schedule K, Line 34 to calculate tax due.				
 Caution	Tax balances are due by April 15, 2024. Submitting an incomplete form could subject you to penalty and interest if a tax balance is due. If you want RITA to calculate your taxes, please use the online eFile system at ritaohio.com . It is easy to use, secure and will calculate your taxes immediately.							

Tax Year 2023 – Form 37 Refund Example #2

5 a	Add Lines 4a and 4b.	5a	1,200	
b	Total tentative credit from Credit Rate Worksheet, Column E located at the bottom of this page. Your resident municipality's credit rate: 2.00%	5b	1,200	
c	Enter the smaller of Line 5a or Line 5b.	5c	1,200	
6	Multiply Line 5c by the credit factor of your resident municipality from the tax table. Your resident municipality's credit factor: 100%	6	1,200	
7 a	Tax withheld for your resident municipality from Page 1, Section A, Column 3. Do not enter estimated tax payments (see instructions).	7a	1,200	
b	Tax paid by your partnership/S-Corp./trust to YOUR RESIDENT municipality (from Worksheet R)	7b	0	
8	Total credits allowable. (Add Lines 6, 7a, and 7b.)	8	2,400	
9	Subtract Line 8 from Line 3.	9	-1,200	
10	Tax on non-withheld wages from Page 3, Schedule K, Line 34.	10		
11	Tax on Schedule J Income from Page 3, Line 33, Column 7.	11		
12	TAX DUE RITA BEFORE ESTIMATED PAYMENTS. Add Lines 9, 10 and 11. If less than zero, enter -0- and file Form 10A (see instructions).	12	0	
13	2023 Estimated Tax Payments made to RITA. Do not enter tax withheld from your W-2s. Only include payments made for the 2023 tax year.	13		
14	Credit carried forward from 2022.	14		
15	TOTAL CREDITS AND ESTIMATED PAYMENTS. Add Lines 13 and 14.	15		
16	Balance Due. If Line 15 is less than Line 12, subtract Line 15 from Line 12. If the amount is \$10 or less, enter -0-.	16		
17	If Line 15 is GREATER than 12, subtract Line 12 from Line 15 and enter OVERPAYMENT.	17	1,200	
18	Amount you want credited to your 2024 estimated tax.	18		
19	Amount to be refunded. You may not split an overpayment between a refund and a credit. Amounts \$10 or less will not be refunded. Allow 90 days for your refund.	19	1,200	

Withholding Refund **disallowed** on Form 37



- Taxpayer claims over withheld residence tax on line 7a in error, which overstates credits on line 8 and produces a negative number on line 9, indicating an overpayment.
- System disallows credit for any tax that exceeds the correct rates.
- Refund of over withholding cannot be filed on Form 37. It requires Form 10A.

Net Profit and Withholding Topics

Getting Down to Business

2023 Business Updates

Agenda Topics

- NOL
- Withholding Rules
- HB33/718.021 Election
- Filing Mistakes/Corrections
- Tips for Worry-Free Filing
 - Including a look at the IRC 291 adjustment

Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Background

When HB5 was enacted, net operating loss carryforwards (NOLs) were standardized requiring all municipalities in Ohio that impose a tax to allow a 5-year NOL carryforward.



Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Background

In the approach to making NOLs uniform, the law imposed a 50% limitation on the amount of NOL that could be used to offset income for municipalities that had a tax prior to 1/1/16.

* note: that any munis that enacted a tax DURING this phase in, did NOT have a 50% limitation and TP's were able to utilize losses at 100% for those munis.

Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Background

In effect, the NOL was limited to the lesser of:
50% of the adjusted federal taxable income
(AFTI)

or

50% of the UN-utilized NOL.

Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Background

The law included a provision that put a time-frame on the 50% limitation.

ORC 718.01(D)(3)(c) indicated for tax years beginning in 2018-2022 the 50% limit applied

BUT for tax years beginning in 2023 or later, the full amount of the **unutilized and unexpired** NOL could be used to offset a taxpayer's income.

Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Looking Forward

As we begin 2024, RITA is receiving many questions about NOLs and how they can be used on 2023 net profit returns.

There is a lot of confusion regarding NOLs and how RITA will be handling them.



Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Looking Forward

Effective for tax years beginning in 2023, all RITA municipalities now allow a 5-year NOL carryover of:

100% of the unutilized and unexpired NOL

OR

100% of the adjusted federal taxable income (AFTI).

Net Operating Loss Carryforwards

Expiration of 50%
NOL Phase In

Looking Forward

Any NOLs generated in tax years beginning in 2018, 2019, 2020, 2021 and 2022 that were not previously used may be used at 100% to offset AFTI in 2023.

NOLs generated in 2017 have expired. In some cases, these were never able to be fully utilized. If any of the 2017 NOL was unused after the 2022 return was filed, it can no longer be utilized to offset income.

Net Operating Loss Carryforwards - exceptions

Expiration of 50%
NOL Phase In -
Looking Forward
with exceptions

- For tax years beginning in 2023, pre-HB5/Post Apportioned (aka City-specific) NOLs are NEARLY all expired.
- Two exceptions:
 - McDonald and/or Jewett for NOL's carried forward from tax years beginning prior to 1/1/17.
- Note: Prior to HB5 McDonald allowed a 10-year NOL and Jewett permitted a 7-year NOL.

Net Operating Loss Carryforwards - Estimates

Expiration of 50%
NOL Phase In –
100% usage
impact on
estimates

Looking Forward

- When making final 2023 projections or when deciding whether or not to make an extension payment, keep in mind taxpayers can now use the full, unexpired NOL that is available.
- As a reminder, a taxpayer must make timely estimated payments equal to 100% of the prior year's liability or 90% of the actual tax due to avoid unpaid estimated income tax penalties and interest.

Net Operating Loss Carryforwards - Extensions

Expiration of 50%
NOL Phase In –
100% usage
impact on
estimates

Looking Forward - Extensions

- Businesses have until the 15th day of the 11th month after the end of their fiscal year to file a return
- If your client is relying on a bill to make their current year quarterly estimates, then an estimate **MUST** be established prior to the filing of the return

Form 27 Updated

1. **INCOME PER ATTACHED FEDERAL RETURN**
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)
2. **A. ITEMS NOT DEDUCTIBLE** (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B
3. **A. ADJUSTED FEDERAL TAXABLE INCOME** (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

 - i. THIS LINE INTENTIONALLY LEFT BLANK
 - ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR
 - iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used
4. **AMOUNT SUBJECT TO MUNICIPAL INCOME TAX**
(Line 3b(iii) multiplied by 3C (%))
5. **MUNICIPAL INCOME TAX DUE** (see Instructions)
NOTE: Must equal Schedule B on Page 2
6. **A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX**

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)
7. **A. BALANCE DUE** (Line 5 less Line 6C) **AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM**

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

	1	<input style="width: 95%;" type="text"/>	.00
	Add 2A	<input style="width: 95%;" type="text"/>	.00
	Deduct 2B	<input style="width: 95%;" type="text"/>	.00
	2C	<input style="width: 95%;" type="text"/>	.00
	▶ 3A	<input style="width: 95%;" type="text"/>	.00
	▶ 3B	<input type="checkbox"/>	
	▶ 3B(ii)	<input style="width: 95%;" type="text"/>	.00
	▶ 3B(iii)	<input style="width: 95%;" type="text"/>	.00
	3C	<input style="width: 20%;" type="text"/>	%
	▶ 4	<input style="width: 95%;" type="text"/>	.00
	▶ 5	<input style="width: 95%;" type="text"/>	.00
	6A	<input style="width: 95%;" type="text"/>	.00
	6B	<input style="width: 95%;" type="text"/>	.00
	▶ 6C	<input style="width: 95%;" type="text"/>	.00
	▶ 7A	<input style="width: 95%;" type="text"/>	.00
	7B	<input style="width: 95%;" type="text"/>	.00

Previous Form 27



Consolidated Return with 50% Ownership of a Pass-Through Entity (see Instructions, Page 2) Activity _____

BUSINESS: C CORPORATION PARTNERSHIP LLC S CORPORATION ESTATE TRUST SMALL EMPLOYER:

Company Name _____ Federal Identification Number: _____

Address # _____ Street _____ Suite # _____

City _____ State _____ Zip Code _____

1. INCOME PER ATTACHED FEDERAL RETURN (per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent) 1 _____ .00

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G) Add 2A _____ .00

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q) Deduct 2B _____ .00

C. ENTER EXCESS OF LINE 2A OR 2B 2C _____ .00

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C) 3A _____ .00

B. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/17 (subject to 50% limitation) Check this box if utilizing a NOL incurred prior to 1/1/17 first. See instructions. 3B(i) _____ .00

I. TOTAL UNUTILIZED PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/17 3B(ii) _____ .00

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/17 UTILIZED IN THIS TAX YEAR 3B(iii) _____ .00

iii. Income/Loss Subject to Apportionment (Line 3A plus or minus 3B(iii)) 3C _____ .00

C. AMOUNT AVAILABLE TO RITA (If Schedule Y, Page 4 is used _____ % of Line 3b(iii)) 3D _____ .00

D. LESS POST APPORTIONED LOSSES FROM TAX YEARS BEGINNING PRIOR TO 1/1/17 (Per previous Municipal Income Tax Returns (schedule must be submitted)) 4 _____ .00

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX (Line 3C less Line 3D) 5 _____ .00

5. MUNICIPAL INCOME TAX DUE (see Instructions) NOTE: Must equal Schedule B on Page 2 6A _____ .00

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX 6B _____ .00

B. AMOUNT OF PREVIOUS YEAR CREDIT 6C _____ .00

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B) 7A _____ .00

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM 7B _____ .00

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) (Cannot be split between refund and credit) Refund Credit

Form 27 Changes

1. **INCOME PER ATTACHED FEDERAL RETURN**
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. **A. ITEMS NOT DEDUCTIBLE** (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. **A. ADJUSTED FEDERAL TAXABLE INCOME** (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3Bi THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. **AMOUNT SUBJECT TO MUNICIPAL INCOME TAX**
(Line 3b(iii) multiplied by 3C (%))

5. **MUNICIPAL INCOME TAX DUE** (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. **A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX**

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. **A. BALANCE DUE** (Line 5 less Line 6C) **AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM**

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund..... Credit.....

1 .00

Add 2A .00

Deduct 2B .00

2C .00

▶ 3A .00

▶ 3B

▶ 3B(ii) .00

▶ 3B(iii) .00

3C %

▶ 4 .00

▶ 5 .00

6A .00

6B .00

▶ 6C .00

▶ 7A .00

7B .00

- Some of the changes made to the face of the form include:
- Removed 3Bi
 - Moved 3C percentage to the right
 - Removed 3D

NOL example # 1 Fact Pattern

Expiration of 50%
NOL Phase In

Example 1

The taxpayer was able to utilize the entire NOL generated in 2017 and is able to use the remaining NOLs generated in later years toward 2023.



NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

NOL Example # 1- details

Example 1

- The taxpayer's NOL use was limited to 50% of the income in 2021. This utilized all the 2017 NOL and some of 2018.
- In 2022, the taxpayer's NOL use was limited to 50% of the available NOL. This allowed the taxpayer to utilize the remaining 2018 NOL as well as some of the 2019 NOL.
- The taxpayer may utilize the remaining \$60,000 NOL from 2019-2020 toward 2023 and forward until it is fully utilized or expired, whichever is first.

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

2021 Income =\$100,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Available to 2021 =\$170,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Allowed/utilized in 2021=\$50,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Allowed/utilized from 2017 in 2021= \$40,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Allowed/utilized from 2018 in 2021= \$10,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Available to 2022 = \$120,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total 2022 Income =\$130,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Allowed/utilized from 2018 in 2022= \$50,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total Loss Allowed/utilized from 2019 in 2022= \$10,000

NOL Example # 1- NOL schedule

Post HB5 NOL Schedule Sample 1						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(40,000.00)	(40,000.00)	0.00		
2018	n/a	(60,000.00)	(10,000.00)	(50,000.00)		
2019	n/a	(20,000.00)		(10,000.00)	(10,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	100,000.00					
2022	130,000.00					
2023 Available					(60,000.00)	

Total NOL available to 2023= \$60,000

NOL Example # 1- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN <small>(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)</small>	1	80,000.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	2,500.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	5,500.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	3,000.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	77,000.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.	▶ 3B	<input type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	60,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	17,000.00
C. PERCENTAGE ALLOCABLE TO RITA <small>If Schedule Y, Page 4 is used</small>	3C	100%
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX <small>(Line 3B(iii) multiplied by 3C (%))</small>	▶ 4	17,000.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) <small>NOTE: Must equal Schedule B on Page 2</small>	▶ 5	340.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	400.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	400.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) <small>(Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/></small>	7B	60.00

Example 1- Tax Year 2023

- 100% Brecksville

NOL Example # 1- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN (per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)	1	80,000.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	2,500.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	5,500.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	3,000.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	77,000.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3Bi THROUGH LINE 4.	▶ 3B	<input type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	60,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	17,000.00
C. PERCENTAGE ALLOCABLE TO RITA If Schedule Y, Page 4 is used	3C	100 %
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX (Line 3b(iii) multiplied by 3C (%))	▶ 4	17,000.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) NOTE: Must equal Schedule B on Page 2	▶ 5	340.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	400.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	400.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) <small>(Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/></small>	7B	60.00

Example 1–Tax Year 2023

- 100% Brecksville
- AFTI is 77,000

NOL Example # 1- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN (per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)	1	80,000.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	2,500.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	5,500.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	3,000.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	77,000.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET SEE FORM 27 INSTRUCTIONS FOR 3Bi THROUGH LINE 4.	▶ 3B	<input type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	60,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	17,000.00
C. PERCENTAGE ALLOCABLE TO RITA If Schedule Y, Page 4 is used	3C	100 %
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX (Line 3b(iii) multiplied by 3C (%))	▶ 4	17,000.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) NOTE: Must equal Schedule B on Page 2	▶ 5	340.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	400.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	400.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) <small>(Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/></small>	7B	60.00

Example 1–Tax Year 2023

- 100% Brecksville
- AFTI is 77,000
- 3B checkbox is not checked

NOL Example # 1- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN (per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)	1	80,000.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	2,500.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	5,500.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	3,000.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	77,000.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.	▶ 3B	<input type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	60,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	17,000.00
C. PERCENTAGE ALLOCABLE TO RITA If Schedule Y, Page 4 is used	3C	100 %
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX (Line 3B(iii) multiplied by 3C (%))	▶ 4	17,000.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) NOTE: Must equal Schedule B on Page 2	▶ 5	340.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	400.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	400.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) <small>(Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/></small>	7B	60.00

Example 1–Tax Year 2023

- 100% Brecksville
- AFTI is 77,000
- 3B checkbox is not checked
- Taxpayer is able to use 100% of the unutilized, unexpired NOL on line 3Bii.

NOL Example # 1- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN <small>(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)</small>	1	80,000.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	2,500.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	5,500.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	3,000.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	77,000.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3Bii THROUGH LINE 4.	▶ 3B	<input type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	60,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	17,000.00
C. PERCENTAGE ALLOCABLE TO RITA <small>If Schedule Y, Page 4 is used</small>	3C	100 %
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX <small>(Line 3b(iii) multiplied by 3C (%))</small>	▶ 4	17,000.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) <small>NOTE: Must equal Schedule B on Page 2</small>	▶ 5	340.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	400.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	400.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) <small>(Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/></small>	7B	60.00

Example 1–Tax Year 2023

- 100% Brecksville
- AFTI is 77,000
- 3B checkbox is not checked
- Taxpayer is able to use 100% of the unutilized, unexpired NOL on line 3Bii.

NOL Example # 2 Facts

Expiration of 50%
NOL Phase In

Example 2

The taxpayer is never able to fully utilize the NOL generated in 2017



NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

NOL Example #2- details

Example 2

- The taxpayer's NOL use was limited to 50% of the income in 2021. This utilized a portion of the 2017 NOL.
- In 2022, the taxpayer's NOL use was limited to 50% of the available NOL. This allowed the taxpayer to utilize another portion of the 2017 NOL. However, since the remaining 2017 NOL was able to be used to offset the remaining 2022 income, a portion of that NOL expired.
- The taxpayer may utilize the remaining \$130,000 NOL from 2018-2020 toward 2023 and forward until it is fully utilized or expired, whichever is first

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total 2021 Income = \$110,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total NOL available to 2021= \$370,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total NOL allowed/used in 2021= \$55,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total 2022 Income = \$230,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total NOL available to 2022= \$315,000 (\$370,000-\$55,000)

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total NOL allowed in 2022= \$115,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total 2017 NOL expired in 2022= \$70,000

NOL Example #2 – NOL schedule

Post HB5 NOL Schedule Sample 2						
Tax Year	Amount of Income	Amount of Loss	Amount Utilized in 2021 (50% limitation applied)	Amount Utilized in 2022 (50% limitation applied)	Amount Available to 2023	Amount Expired
2017	n/a	(240,000.00)	(55,000.00)	(115,000.00)		(70,000.00)
2018	n/a	(60,000.00)			(60,000.00)	
2019	n/a	(20,000.00)			(20,000.00)	
2020	n/a	(50,000.00)			(50,000.00)	
2021	110,000.00					
2022	230,000.00					
2023 Available					(130,000.00)	

Total NOL available to 2023= \$130,000

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30),
1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)
- B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)
- C. ENTER EXCESS OF LINE 2A OR 2B
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)
- B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR
DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET.
SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.
- i. THIS LINE INTENTIONALLY LEFT BLANK
- ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18
UTILIZED IN THIS TAX YEAR
- iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))
- C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))
5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX
- B. AMOUNT OF PREVIOUS YEAR CREDIT
- C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM
- B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the
desired box)
- (Cannot be split between refund and credit) Refund Credit

1	150,000.00
Add 2A	1,000.00
Deduct 2B	40,000.00
2C	39,000.00
▶ 3A	111,000.00
▶ 3B	
▶ 3B(ii)	111,000.00
▶ 3B(iii)	0.00
3C	100 %
▶ 4	0.00
▶ 5	0.00
6A	500.00
6B	
▶ 6C	500.00
▶ 7A	
7B	500.00

Example 2

- If the taxpayer's income is \$111,000

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30),
1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR
DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET.
SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18
UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the
desired box)

(Cannot be split between refund and credit) Refund Credit

1	150,000.00
Add 2A	1,000.00
Deduct 2B	40,000.00
2C	39,000.00
▶ 3A	111,000.00
▶ 3B	<input type="checkbox"/>
▶ 3B(ii)	111,000.00
▶ 3B(iii)	0.00
3C	100 %
▶ 4	0.00
▶ 5	0.00
6A	500.00
6B	0.00
▶ 6C	500.00
▶ 7A	0.00
7B	500.00

Example 2

- If the taxpayer's income is \$111,000
- They are only using one NOL amount which is the same for both municipalities so 3B box is NOT checked.

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

1	<input type="text" value="150,000.00"/>
Add 2A	<input type="text" value="1,000.00"/>
Deduct 2B	<input type="text" value="40,000.00"/>
2C	<input type="text" value="39,000.00"/>
▶ 3A	<input type="text" value="111,000.00"/>
▶ 3B	<input type="checkbox"/>
▶ 3B(ii)	<input type="text" value="111,000.00"/>
▶ 3B(iii)	<input type="text" value="0.00"/>
3C	<input type="text" value="100%"/>
▶ 4	<input type="text" value="0.00"/>
▶ 5	<input type="text" value="0.00"/>
6A	<input type="text" value="500.00"/>
6B	<input type="text" value="0.00"/>
▶ 6C	<input type="text" value="500.00"/>
▶ 7A	<input type="text" value="0.00"/>
7B	<input type="text" value="500.00"/>

Example 2

- If the taxpayer's income is \$111,000
- They are only using one NOL amount which is the same for both municipalities so 3B box is NOT checked.
- Taxpayer is 75% Beachwood & 25% Sheffield Lake

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(ii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

1	150,000.00
Add 2A	1,000.00
Deduct 2B	40,000.00
2C	39,000.00
▶ 3A	111,000.00
▶ 3B	<input type="checkbox"/>
▶ 3B(ii)	111,000.00
▶ 3B(iii)	0.00
3C	100%
▶ 4	0.00
▶ 5	0.00
6A	500.00
6B	0.00
▶ 6C	500.00
▶ 7A	0.00
7B	500.00

Example 2

- If the taxpayer's income is \$111,000
- They are only using one NOL amount which is the same for both municipalities so 3B box is NOT checked.
- Taxpayer is 75% Beachwood & 25% Sheffield Lake
- They get to use up to \$111,000 of unexpired and unutilized NOL

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

1	150,000.00
Add 2A	1,000.00
Deduct 2B	40,000.00
2C	39,000.00
▶ 3A	111,000.00
▶ 3B	<input type="checkbox"/>
▶ 3B(ii)	111,000.00
▶ 3B(iii)	0.00
3C	100%
▶ 4	0.00
▶ 5	0.00
6A	500.00
6B	0.00
▶ 6C	500.00
▶ 7A	0.00
7B	500.00

Example 2

- If the taxpayer's income is \$111,000
- They are only using one NOL amount which is the same for both municipalities so 3B box is NOT checked.
- Taxpayer is 75% Beachwood & 25% Sheffield Lake
- They get to use up to \$111,000 of unexpired and unutilized NOL to reduce the income to zero

NOL Example #2- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

1	<input type="text" value="150,000.00"/>
Add 2A	<input type="text" value="1,000.00"/>
Deduct 2B	<input type="text" value="40,000.00"/>
2C	<input type="text" value="39,000.00"/>
▶ 3A	<input type="text" value="111,000.00"/>
▶ 3B	<input type="checkbox"/>
▶ 3B(ii)	<input type="text" value="111,000.00"/>
▶ 3B(iii)	<input type="text" value="0.00"/>
3C	<input type="text" value="100 %"/>
▶ 4	<input type="text" value="0.00"/>
▶ 5	<input type="text" value="0.00"/>
6A	<input type="text" value="500.00"/>
6B	<input type="text" value="0.00"/>
▶ 6C	<input type="text" value="500.00"/>
▶ 7A	<input type="text" value="0.00"/>
7B	<input type="text" value="500.00"/>

Example 2

- So while they were not able to use \$70K of 2017's NOL, they were able to fully utilize 2018 and 2019 NOLs and 19K of 2020 NOL is available until it expires.

NOL Example #3

Expiration of 50%
NOL Phase In

Example 3

In our last example, we demonstrate a fact pattern where multiple municipalities are involved and how over the years they may have affected the NOL



NOL Example #3- NOL schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

RE

NOL Example #3- Details

Example 3 - McDonald

- McDonald allowed a 10-year NOL carryforward prior to HB5. This NOL was only allowed to offset McDonald's income.
- The McDonald-specific NOL was used up in 2021 to offset \$40,0000 income apportioned to McDonald. As a result, McDonald did not need to use any of the pre-apportioned, post-HB5 NOL until 2022.
- McDonald was subject to the 50% NOL limitation and therefore used a limited Loss in 2022.
- McDonald has more NOL remaining available to 2023 than the other municipalities based on these facts.

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

McDonald Pre HB5/Post-Apportioned NOL			
Tax Year	Income/(Loss)	Loss Used in 2017	Loss Remaining toward 2021
2015	(65,000.00)	(65,000.00)	0.00
2016	(40,000.00)	0.00	(40,000.00)

McDonald Pre-HB5 NOL used in 2017 and 2021

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

McDonald Pre HB5/Post-Apportioned NOL			
Tax Year	Income/(Loss)	Loss Used in 2017	Loss Remaining toward 2021
2015	(65,000.00)	(65,000.00)	0.00
2016	(40,000.00)	0.00	(40,000.00)

NOL available to 2022 for McDonald = \$130,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

McDonald Pre HB5/Post-Apportioned NOL			
Tax Year	Income/(Loss)	Loss Used in 2017	Loss Remaining toward 2021
2015	(65,000.00)	(65,000.00)	0.00
2016	(40,000.00)	0.00	(40,000.00)

2022 Income = \$60,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

McDonald Pre HB5/Post-Apportioned NOL			
Tax Year	Income/(Loss)	Loss Used in 2017	Loss Remaining toward 2021
2015	(65,000.00)	(65,000.00)	0.00
2016	(40,000.00)	0.00	(40,000.00)

2022 NOL used by McDonald = \$30,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

McDonald Pre HB5/Post-Apportioned NOL			
Tax Year	Income/(Loss)	Loss Used in 2017	Loss Remaining toward 2021
2015	(65,000.00)	(65,000.00)	0.00
2016	(40,000.00)	0.00	(40,000.00)

NOL available to McDonald for 2023 = \$100,000

NOL Example #3- Details continued

Example 3

Fairborn

- Fairborn did not allow an NOL prior to HB5.
- Fairborn was also subject to the 50% NOL phase in limitation. The losses used in 2021 and 2022 reflect this limitation.
- As a result, Fairborn has less NOL available to 2023 than McDonald, but more than Millersport.

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2021 Income= \$100,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

NOL available to 2021 = \$130,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

NOL used by Fairborn in 2021 = \$50,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

NOL available to Fairborn in 2022 = \$80,000 (\$130,000-\$50,000)

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2022 Income= \$60,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

NOL used by Fairborn in 2022= \$30,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

NOL available to Fairborn in 2023= \$50,000

NOL Example #3- Details continued

Example 3

Millersport

- Millersport enacted its municipal tax effective 7/1/16. Since this was after the 1/1/16 cutoff date specified in the law, the 50% NOL limitation does not apply to Millersport. This means the full amount of available, unexpired NOL was allowed to be used to offset income earned in tax years 2018-2022.
- The taxpayer used \$100,000 of the \$130,000 NOL to offset income before apportionment to reduce the income to zero for Millersport in 2021.
- Since there was only \$30,000 of the NOL remaining, it was utilized to offset income before apportionment to Millersport in 2022.
- As a result of these facts, there is no remaining NOL available to Millersport for 2023.

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2021 Income & NOL used = \$100,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2022 NOL used = \$30,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2022 Income \$60,000

NOL Example #3- NOL Schedule

All Municipalities (Post HB5/Pre-apportioned NOLs)					
Tax Year	Amount of Income/ NOL	McDonald Pre-HB5 Loss Utilized	McDonald Post-HB5 Loss Utilized	Fairborn Post-HB5 Loss Utilized	Millersport Post-HB5 Loss Utilized
2017	65,000.00	(65,000.00)			
2018	(60,000.00)				
2019	(20,000.00)				
2020	(50,000.00)				
2021	100,000.00	(40,000.00)		(50,000.00)	(100,000.00)
2022	60,000.00		(30,000.00)	(30,000.00)	(30,000.00)
2023 Available			(100,000.00)	(50,000.00)	0.00

2023 Loss available = \$0

NOL Example #3 Facts continued

Expiration of 50%
NOL Phase In

Example 3

2023 Form 27 Assumptions

- AFTI 107,234
- Apportionment:
 - Fairborn=10%
 - McDonald =20%
 - Millersport=55%



NOL Example #3- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)
- B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)
- C. ENTER EXCESS OF LINE 2A OR 2B
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)
- B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.
- i. THIS LINE INTENTIONALLY LEFT BLANK
- ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR
- iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))
- C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))
5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX
- B. AMOUNT OF PREVIOUS YEAR CREDIT
- C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM
- B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box)
(Cannot be split between refund and credit) Refund Credit

1	107,234.00
Add 2A	.00
Deduct 2B	.00
2C	.00
▶ 3A	107,234.00
▶ 3B	<input checked="" type="checkbox"/>
▶ 3B(ii)	100,000.00
▶ 3B(iii)	7,234.00
3C	85%
▶ 4	66,149.00
▶ 5	733.00
6A	.00
6B	.00
▶ 6C	.00
▶ 7A	733.00
7B	.00

Example 3

- AFTI is \$107,234

NOL Example #3- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30),
1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR
DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET.
SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18
UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the
desired box)
(Cannot be split between refund and credit) Refund Credit

1	107,234.00
Add 2A	.00
Deduct 2B	.00
2C	.00
▶ 3A	107,234.00
▶ 3B	<input checked="" type="checkbox"/>
▶ 3B(ii)	100,000.00
▶ 3B(iii)	7,234.00
3C	85%
▶ 4	66,149.00
▶ 5	733.00
6A	.00
6B	.00
▶ 6C	.00
▶ 7A	733.00
7B	.00

Example 3

- AFTI is \$107,234
- Note the 3B box is checked
 - When multiple losses are used, the form will not follow the normal flow of calculations

NOL Example #3- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN
(per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30),
1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)

2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)

B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)

C. ENTER EXCESS OF LINE 2A OR 2B

3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)

B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR
DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET.
SEE FORM 27 INSTRUCTIONS FOR 3Bi THROUGH LINE 4.

i. THIS LINE INTENTIONALLY LEFT BLANK

ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18
UTILIZED IN THIS TAX YEAR

iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))

C. PERCENTAGE ALLOCABLE TO RITA
If Schedule Y, Page 4 is used

4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX
(Line 3b(iii) multiplied by 3C (%))

5. MUNICIPAL INCOME TAX DUE (see Instructions)
NOTE: Must equal Schedule B on Page 2

6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX

B. AMOUNT OF PREVIOUS YEAR CREDIT

C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)

7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM

B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the
desired box)
(Cannot be split between refund and credit) Refund Credit

1	107,234.00
Add 2A	.00
Deduct 2B	.00
2C	.00
▶ 3A	107,234.00
▶ 3B	<input checked="" type="checkbox"/>
▶ 3B(ii)	100,000.00
▶ 3B(iii)	7,234.00
3C	85%
▶ 4	66,149.00
▶ 5	733.00
6A	.00
6B	.00
▶ 6C	.00
▶ 7A	733.00
7B	.00

Example 3

- AFTI is \$107,234
- Note the 3B box is checked
 - When multiple losses are used, the form will not follow the normal flow of calculations
- On 3Bii enter the HIGHEST NOL amount being used

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

Largest NOL amount used goes to 3Bii.

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590
Total Income Subject to Tax = Page 1, Line 4					66,149		

NOL Example #3- Form 27 calculations

City Name	1) AFTI (Print Return- line 3A)	2) NOL Utilized	3) Income Subject to Apportionment	4) Apportionment Percentage	5) Income Subject to Tax 3) times 4)	6) Municipal Tax Rate	7) Tax due 5) times 6)
Fairborn	107,234	50,000	57,234	10%	5,723	0.02	114
McDonald	107,234	100,000	7,234	20%	1,447	0.02	29
Millersport	107,234	0	107,234	55%	58,979	0.01	590
Total Tax Due = Page 1, Line 5							733

NOL Example #3- Form 27

1. INCOME PER ATTACHED FEDERAL RETURN (per attached Federal Form 1120 (Line 28), 1120S (Sch. K - Line 18), 990T (Line 30), 1065 (Sch. K - Analysis of Net Income (Loss), Page 5 - Line 1), 1041 (Line 17) or the equivalent)	1	107,234.00
2. A. ITEMS NOT DEDUCTIBLE (from Page 3, Schedule X, Line G)	Add 2A	.00
B. ITEMS NOT TAXABLE (from Page 3, Schedule X, Line Q)	Deduct 2B	.00
C. ENTER EXCESS OF LINE 2A OR 2B	2C	.00
3. A. ADJUSTED FEDERAL TAXABLE INCOME (Line 1 plus or minus Line 2C)	▶ 3A	107,234.00
B. CHECK THE BOX WHEN USING DIFFERENT NET OPERATING LOSS AMOUNTS FOR DIFFERENT MUNICIPALITIES AND ATTACH YOUR NET OPERATING LOSSES WORKSHEET. SEE FORM 27 INSTRUCTIONS FOR 3B(i) THROUGH LINE 4.	▶ 3B	<input checked="" type="checkbox"/>
i. THIS LINE INTENTIONALLY LEFT BLANK		
ii. PRE-APPORTIONED LOSSES FROM TAX YEARS BEGINNING ON OR AFTER 1/1/18 UTILIZED IN THIS TAX YEAR	▶ 3B(ii)	100,000.00
iii. Income/Loss Subject to Apportionment (Line 3A less Line 3B(ii))	▶ 3B(iii)	7,234.00
C. PERCENTAGE ALLOCABLE TO RITA If Schedule Y, Page 4 is used	3C	85%
4. AMOUNT SUBJECT TO MUNICIPAL INCOME TAX (Line 3B(iii) multiplied by 3C (%))	▶ 4	66,149.00
5. MUNICIPAL INCOME TAX DUE (see Instructions) NOTE: Must equal Schedule B on Page 2	▶ 5	733.00
6. A. PAYMENTS ON DECLARATIONS OF ESTIMATED MUNICIPAL INCOME TAX	6A	.00
B. AMOUNT OF PREVIOUS YEAR CREDIT	6B	.00
C. TOTAL CREDITS ALLOWABLE (Line 6A + 6B)	▶ 6C	.00
7. A. BALANCE DUE (Line 5 less Line 6C) AMOUNT PAYABLE TO RITA MUST ACCOMPANY THIS FORM	▶ 7A	733.00
B. OVERPAYMENT CLAIMED (If Line 6C exceeds Line 5 enter difference here and check the desired box) (Cannot be split between refund and credit) Refund <input type="checkbox"/> Credit <input checked="" type="checkbox"/>	7B	.00

Example 3

- Income on Line 4 (and Schedule B distribution) is \$66,149
- Tax Due on Line 5 (and Schedule B distribution) is \$733



H.B. 33 – Municipal Income Tax Provisions



NP & WH Impact

H.B. 33 – Municipal Income Tax Provisions

**Withholding,
Remote
Workers,
Net Profit
Return Impact**

Form 27 – ORC 718.021 Election

- Created an optional way for taxpayers to deal with the new reality of a remote workforce.



H.B. 33 – Municipal Income Tax Provisions

Withholding
&
Remote Workers

Expectations on withholding for remote workers



Working From Home Tax Issues

- In response to the COVID-19 pandemic, Ohio law permitted employers to withhold municipal income tax from employee wages as if employees are working in the office, regardless of where they have been performing their work.
- That rule ended December 31, 2021.
- January 1, 2022 we returned to the “old” municipal income tax withholding rules (or did we?).



Working From Home Tax Issues

What Are The “Old” Rules?

- Withhold where work is performed
- Occasional Entrant Rule
- Small Employer Rule



Working From Home Tax Issues

Old Rule –
Withhold Where
Work is
Performed

- Tax is due where work is performed.
- Day by day tracking of where work is being performed and withhold accordingly.



Working From Home Tax Issues

Old Rule- Occasional Entrant Rules

- Employee must perform services in an occasional entrant municipality for 20 days before the employer is required to withhold tax for that municipality for that employee.
- First 20 days, withhold for the *principal place of work* municipality.
- From *day 21 forward*, withhold tax for the occasional entrant municipality.



Working From Home Tax Issues

Old Rule- Small Employer Rule

- *Small Employer* – is a non-governmental employer that had a total revenue of less than \$500k in the preceding tax year.
- Small employers withhold only for the municipality of the employer's fixed location – without regard to the number of days employees spend working in any municipality.



Working From Home Tax Issues

Old Rules – New Schedules

- Fully Remote – withhold for the employee's residence municipality, at the full rate, and **file the form 11 as workplace** withholding.
- Fully In Office – withhold for the employee's place of business municipality, at the full rate, and **file the form 11 as workplace** withholding.



Tax Year 2023 – Form 11 Examples

Current Environment Illustration- 100% In Office

Employees Working Fully in the Office:

- 40 employees work in the Brecksville office 5 days a week

SECTION B SECTION B MUST BE COMPLETED. SECTION A MUST EQUAL SECTION B.
NEGATIVE AMOUNTS ARE NOT ACCEPTABLE.

CHECK HERE IF YOU HAVE ANY CHANGES TO YOUR DISTRIBUTION AND COMPLETE SECTION B ON THIS FORM.

MUNICIPALITY

WORKPLACE WAGES

WORKPLACE TAX WITHHELD

RESIDENCE TAX WITHHELD

Brecksville

200,000.00

4,000.00

Tax Year 2023 – Form 11 Examples

Current Environment Illustration – 100% WFH

All Employees Working **Completely** Remote:

- 10 employees WFH in Brecksville
- 10 employees WFH in Garfield Heights
- 20 employees WFH in Shaker Heights

SECTION B SECTION B MUST BE COMPLETED. SECTION A MUST EQUAL SECTION B.
NEGATIVE AMOUNTS ARE NOT ACCEPTABLE.

CHECK HERE IF YOU HAVE ANY CHANGES TO YOUR
DISTRIBUTION AND COMPLETE SECTION B ON THIS FORM.

MUNICIPALITY	WORKPLACE WAGES	WORKPLACE TAX WITHHELD	RESIDENCE TAX WITHHELD
Brecksville	60,000.00	1,200.00	
Garfield Heights	40,000.00	800.00	
Shaker Heights	100,000.00	2,250.00	

Working From Home Tax Issues

Old Rules – New Schedules

- Hybrid schedules
 - Withholding day by day where work is performed.
 - Prorate wages between office and home, based on actual or expected schedules and withhold accordingly;
- For wages earned at home, the home municipality is treated like another work location, this is not courtesy residence withholding – it is a workplace withholding location.



Tax Year 2023 – Form 11 Examples

Current Environment Illustration - HYBRID

Employees Working Hybrid:

- 10 employees WFH in Brecksville 4 days and in the Brecksville office 1 day a week
- 10 employees WFH in Garfield Heights 4 days and in the Brecksville office 1 day a week
- 20 employees WFH in Shaker Heights 4 days and in the Brecksville office 1 day a week

SECTION B SECTION B MUST BE COMPLETED. SECTION A MUST EQUAL SECTION B.
NEGATIVE AMOUNTS ARE NOT ACCEPTABLE.

CHECK HERE IF YOU HAVE ANY CHANGES TO YOUR
DISTRIBUTION AND COMPLETE SECTION B ON THIS FORM.

MUNICIPALITY	WORKPLACE WAGES	WORKPLACE TAX WITHHELD	RESIDENCE TAX WITHHELD
Brecksville	88,000.00	1,760.00	
Garfield Heights	32,000.00	640.00	
Shaker Heights	80,000.00	1,800.00	

H.B. 33 – Schedule Y Impact



Apportioning

Municipal Income Tax Shifts- Form 27

Schedule Y Rules

2020

Existing apportionment rules applied. WFH wages excluded from Schedule Y but property and sales still apportioned to WFH municipality.

718.02(C)

As used in division (A)(2) of this section, "wages, salaries, and other compensation" includes only wages, salaries, or other compensation paid to an employee for services performed at any of the following locations:

(1) A location that is owned, controlled, or used by, rented to, or under the possession of one of the following:

- (a) The employer;
- (b) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;
- (c) A vendor, customer, client, or patient of a person described in division (C)(1)(b) of this section, or a related member of such a vendor, customer, client, or patient.

Municipal Income Tax Shifts- Form 27

Schedule Y Rules

2020



Old Rules applied. WFH wages excluded from Schedule Y but property and sales still apportioned to WFH municipality.

2021



HB 110 ensured businesses did not have to apportion property & sales in a WFH muni on Schedule Y unless it had unrelated property, payroll or sales in that muni.

2022



HB 110 expired. Revert back to old rules same as 2020 and prior.

WFH wages excluded from Schedule Y but property and sales still apportioned to WFH municipality.

2023

Ohio House Bill 33 established the 718.021 election

H.B. 33 – Municipal Income Tax Provisions

**Form 27 –ORC
718.021
Election –
Net Profit
Return Impact**

Form 27 –ORC 718.021 Election

Created an optional way for taxpayers to deal with the new reality of a remote workforce.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and
Remote Workers

Allows businesses to apportion payroll, sales and property to a designated “reporting location”

vs.

the remote location where an employee is working.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Workers

Businesses may still choose to apportion to each location where remote work is performed.

Effective TY's ending on or after 12-31-23.

H.B. 33 – Municipal Income Tax Provisions

Net Profit and
Remote Workers

NOTICE

**Employees
only**

718.021(B)

... The taxpayer shall not be required to file a net profit return with a municipal corporation solely because a qualifying remote employee's or owner's qualifying remote work location is located in such municipal corporation.

H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Workers: **Property**

Schedule Y Property:

718.02(C)(1) For the purpose of division (A)(1) of section 718.02 of the Revised Code, the average original cost of any tangible personal property used by a ***qualifying remote employee or owner*** at that individual's ***qualifying remote work location*** shall be situated to that individual's ***qualifying reporting location***.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Workers: **Payroll**

Schedule Y Payroll:

718.02(C)(2) For the purpose of division (A)(2) of section 718.02 of the Revised Code, any wages, salaries, and other compensation paid during the taxable period to a ***qualifying remote employee or owner*** for services performed at that individual's ***qualifying remote work location*** shall be situated to that individual's ***qualifying reporting location***



H.B. 33 – Municipal Income Tax Provisions

Net Profit and
Remote Workers:
Gross Receipts

Schedule Y Receipts:

718.02(C)(3) For the purpose of division (A)(3) of section 718.02 of the Revised Code, and notwithstanding division (D) of that section, any gross receipts of the business or profession from services performed during the taxable period by a ***qualifying remote employee*** or owner for services performed at that individual's ***qualifying remote work location*** shall be situated to that individual's ***qualifying reporting location***.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Workers

Qualifying remote employee or owner means an individual who is an employee of a taxpayer or who is a partner or member holding an ownership interest in a taxpayer that is treated as a partnership for federal income tax purposes, provided that the individual meets both of the following criteria:

- The taxpayer has assigned the individual to a qualifying reporting location.
- The individual is permitted or required to perform services for the taxpayer at a qualifying remote work location.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Location

Qualifying remote work location means a permanent or temporary location at which an employee or owner chooses or is required to perform services for the taxpayer, other than a reporting location of the taxpayer or any other location owned or controlled by a customer or client of the taxpayer.



DEFINITION

H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Location

Qualifying remote work location may include the residence of an employee or owner and may be located outside of a municipal corporation that imposes an income tax in accordance with this chapter. An employee or owner may have more than one qualifying remote work location during a taxable year.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Location

Reporting location means either of the following:

- A permanent or temporary place of doing business, such as an office, warehouse, storefront, construction site, or similar location, that is owned or controlled directly or indirectly by the taxpayer;
- Any location in this state owned or controlled by a customer or client of the taxpayer, provided that the taxpayer is required to withhold taxes under section 718.03 of the Revised Code on qualifying wages paid to an employee for the performance of personal services at that location.



H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Location



Qualifying reporting location means one of the following:

- The reporting location in this state at which an employee or owner performs services for the taxpayer on a regular or periodic basis during the taxable year;
- If no reporting location exists in this state for an employee or owner under division (A)(4)(a) of this section, the reporting location in this state at which the employee's or owner's supervisor regularly or periodically reports during the taxable year;

H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Location



Qualifying reporting location means one of the following:

- If no reporting location exists in this state for an employee or owner under division (A)(4)(a) or (b) of this section, the location that the taxpayer otherwise assigns as the employee's or owner's qualifying reporting location, provided the assignment is made in good faith and is recorded and maintained in the taxpayer's business records. A taxpayer may change the qualifying reporting location designated for an employee or owner under this division at any time.

H.B. 33 – Municipal Income Tax Provisions

Net Profit and
Remote Workers

- Election must be made in writing
- The election applies to the taxable year for which that return or appeal is filed and for all subsequent taxable years, until the taxpayer revokes the election.
- 718.021 Election applies to every municipal corporation in which the taxpayer conducts business.



H.B. 33 – Municipal Income Tax Provisions

Form 27 – ORC 718.021 Election

Form 27	Regional Income Tax Agency	2023	 REGIONAL INCOME TAX AGENCY	800.860.7482
	RITA Net Profit Tax Return			TDD 440.526.5332
				ritaohio.com

FOR CALENDAR YEAR OR FISCAL YEAR BEGINNING AND ENDING

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.

Check if:

<input type="checkbox"/> Initial RITA Return	<input type="checkbox"/> No longer in RITA <input type="text"/>	<input type="checkbox"/> Extension
<input type="checkbox"/> Amended Return	<input type="checkbox"/> Out of Business <input type="text"/>	
<input type="checkbox"/> Consolidated Return (Attach Form 851)	<input type="checkbox"/> Alternate Method	Federal Business Activity Code # <input type="text"/>
<input type="checkbox"/> Consolidated filer with 80% ownership of a Pass-Through Entity (see instructions, Page 3)		Business Activity <input type="text"/>

BUSINESS: C CORPORATION PARTNERSHIP LLC S CORPORATION ESTATE TRUST

SMALL EMPLOYER:

ORC 718.021 ELECTION:

H.B. 33 – Municipal Income Tax Provisions

Form 27 –ORC 718.021 Election

FORM 27

SCHEDULE Y - BUSINESS APPORTIONMENT FORMULA (See Instructions)

ORC 718.021 ELECTION to apportion to qualifying reporting location. This box is checked from page 1.

	A. LOCATED EVERYWHERE	B. RITA MUNICIPALITY	C. PERCENTAGE (B / A)
STEP 1. AVERAGE ORIGINAL COST OF REAL & TANGIBLE PERSONAL PROPERTY	\$	\$	
GROSS ANNUAL RENTALS MULTIPLIED BY 8.....	\$	\$	
TOTAL OF STEP 1.....	\$	\$	%
STEP 2. TOTAL WAGES, SALARIES, COMMISSION AND OTHER COMPENSATION PAID TO ALL EMPLOYEES.....	\$	\$	%
STEP 3. GROSS RECEIPTS FROM SALES AND WORK OR SERVICES PERFORMED	\$	\$	%
STEP 4. TOTAL OF PERCENTAGES.....			%
STEP 5. AVERAGE PERCENTAGE (DIVIDE TOTAL PERCENTAGES BY NUMBER OF PERCENTAGES USED)			%

H.B. 33 – Municipal Income Tax Provisions

Form 27 –ORC 718.021 Election – Withholding Form 17 Impact

- The 718.021 election is NOT the only place you need to be concerned with letting RITA know about remote employees.
- A Work From Home (WFH) indicator has been added to the Form 17 for 2023.

H.B. 33 – Municipal Income Tax Provisions

Form 17 –WFH Indicator

5

Municipality

Workplace Wages

Workplace
Tax Rate %

Workplace Tax

Number of employees
at year end

Working from Home
(WFH) Indicator*

Residence Tax

Municipality

Workplace Wages

Workplace
Tax Rate %

Workplace Tax

Number of employees
at year end

Working from Home
(WFH) Indicator*

Residence Tax

Page 2 Form 17

H.B. 33 – Municipal Income Tax Provisions

Why this matters:

- RITA is using this information to compare what is being reporting for payroll and net profit tax.
- Reasonableness is key.



H.B. 33 – Municipal Income Tax Provisions

Form 17 –WFH Indicator

START DATE: 1/1/2022 END DATE: 12/31/2022

CITY NAME	TAX CHANGE	WFH	WAGES
AVON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9,985.66
AVON LAKE	<input type="checkbox"/>	<input type="checkbox"/>	5,941.47
BARBERTON	<input type="checkbox"/>	<input type="checkbox"/>	273,975.34
BAY VILLAGE	<input type="checkbox"/>	<input checked="" type="checkbox"/>	120,526.54
BEACHWOOD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	188,560.96
BEDFORD	<input type="checkbox"/>	<input type="checkbox"/>	0.00
BEDFORD HEIGHTS	<input type="checkbox"/>	<input type="checkbox"/>	2,462.96
BEREA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12,340.98
BRECKSVILLE	<input type="checkbox"/>	<input type="checkbox"/>	354,743.59
BROADVIEW HEIGHTS	<input type="checkbox"/>	<input type="checkbox"/>	150.50

H.B. 33 – Municipal Income Tax Provisions

Points
to
Keep in Mind



- Typically not everyone WFH
- If election made- we do NOT expect property or sales to WFH muni
- We do expect all PR, property and sales apportioned to qualifying reporting location
- Qualifying reporting location may or may not be RITA
- WFH muni may or may not be RITA

H.B. 33 – Municipal Income Tax Provisions

Net Profit and Remote Workers Example

EXAMPLE

- Consulting firm with an office in Brecksville & a storage unit in a township.
- Some employees work full time in Brecksville
- Some employees work hybrid based out of the Brecksville office.
 - Hybrid Employees work from their home in Shaker Heights doing consulting work.
 - Taxpayer will have workplace tax withholding in Wadsworth and employee home municipalities (Shaker Heights) with the bulk of withholding in Brecksville.

H.B. 33 – Municipal Income Tax Provisions

If the taxpayer makes the 718.021 election:

FORM 27

SCHEDULE Y - BUSINESS APPORTIONMENT FORMULA (See Instructions)

ORC 718.021 ELECTION to apportion to qualifying reporting location. This box is checked from page 1.

	A. LOCATED EVERYWHERE	B. RITA MUNICIPALITY Brecksville	C. PERCENTAGE (B / A)
STEP 1. AVERAGE ORIGINAL COST OF REAL & TANGIBLE PERSONAL PROPERTY	\$ 1,000,000	\$ 1,000,000	
GROSS ANNUAL RENTALS MULTIPLIED BY 8.....	\$ 72,000	\$ 0	
TOTAL OF STEP 1	\$ 1,072,000	\$ 1,000,000	93.2836%
STEP 2. TOTAL WAGES, SALARIES, COMMISSION AND OTHER COMPENSATION PAID TO ALL EMPLOYEES.....	\$ 500,000	\$ 500,000	100%
STEP 3. GROSS RECEIPTS FROM SALES AND WORK OR SERVICES PERFORMED	\$ 2,250,000	\$ 2,250,000	100%
STEP 4. TOTAL OF PERCENTAGES.....			293.2386%
STEP 5. AVERAGE PERCENTAGE (DIVIDE TOTAL PERCENTAGES BY NUMBER OF PERCENTAGES USED)			97.7612%

➤ Schedule Y should include ALL applicable WFH wages, property and sales in Brecksville.

H.B. 33 – Municipal Income Tax Provisions

FORM 27

SCHEDULE Y - BUSINESS APPORTIONMENT FORMULA (See Instructions)

ORC 718.021 ELECTION to apportion to qualifying reporting location. This box is checked from page 1.

	A. LOCATED EVERYWHERE	B. RITA MUNICIPALITY Brecksville	C. PERCENTAGE (B / A)
STEP 1. AVERAGE ORIGINAL COST OF REAL & TANGIBLE PERSONAL PROPERTY	\$ 1,000,000	\$ 1,000,000	
GROSS ANNUAL RENTALS MULTIPLIED BY 8.....	\$ 72,000	\$ 0	
TOTAL OF STEP 1.....	\$ 1,072,000	\$ 1,000,000	93.2836%
STEP 2. TOTAL WAGES, SALARIES, COMMISSION AND OTHER COMPENSATION PAID TO ALL EMPLOYEES.....	\$ 500,000	\$ 450,000	90%
STEP 3. GROSS RECEIPTS FROM SALES AND WORK OR SERVICES PERFORMED.....	\$ 2,250,000	\$ 2,025,000	100%
STEP 4. TOTAL OF PERCENTAGES.....			283.2836%
STEP 5. AVERAGE PERCENTAGE (DIVIDE TOTAL PERCENTAGES BY NUMBER OF PERCENTAGES USED)			94.42787%

	A. LOCATED EVERYWHERE	B. RITA MUNICIPALITY Shaker Heights	C. PERCENTAGE (B / A)
STEP 1. AVERAGE ORIGINAL COST OF REAL & TANGIBLE PERSONAL PROPERTY	\$ 1,000,000	\$ 1,000	
GROSS ANNUAL RENTALS MULTIPLIED BY 8.....	\$ 72,000	\$ 0	
TOTAL OF STEP 1.....	\$ 1,072,000	\$ 1,000	0.9330%
STEP 2. TOTAL WAGES, SALARIES, COMMISSION AND OTHER COMPENSATION PAID TO ALL EMPLOYEES.....	\$ 500,000	\$ 0	0%
STEP 3. GROSS RECEIPTS FROM SALES AND WORK OR SERVICES PERFORMED.....	\$ 2,250,000	\$ 225,000	10%
STEP 4. TOTAL OF PERCENTAGES.....			10.933%
STEP 5. AVERAGE PERCENTAGE (DIVIDE TOTAL PERCENTAGES BY NUMBER OF PERCENTAGES USED)			3.3644%

If the taxpayer does not make the 718.021 election:

- There should be apportionment to Brecksville
- There should also be apportionment the Shaker Heights for any property or sales in those municipality.

H.B. 33 – Municipal Income Tax Provisions

Net Profit and
Remote Workers

“
KEY
TAKEAWAYS
”

What does this mean for client returns?

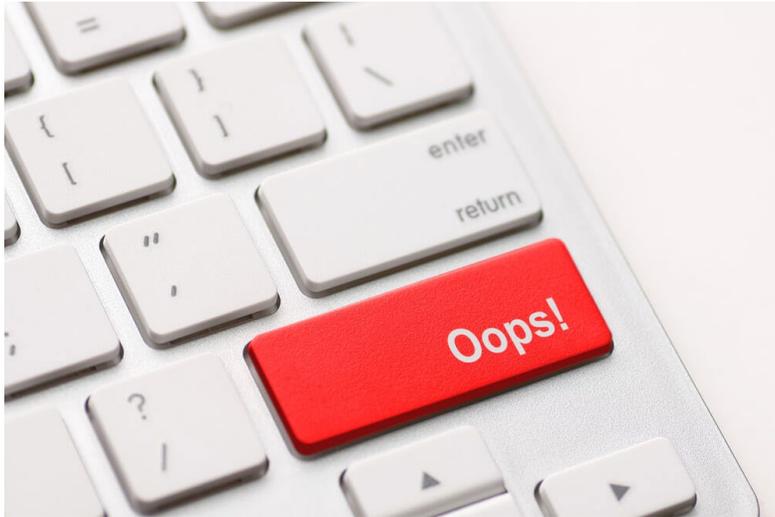
- If making the election, make sure you are checking the 718.021 checkbox, WFH indicator on Form 17s and completing Schedule Y-1 when appropriate.
- Agents are looking at the accounts holistically to determine if the return data makes sense.
- If a client receives a notice, please respond.

H.B. 33 – Municipal Income Tax Provisions

Late Filing Penalty

- Taxpayers who receive the late filing penalty for the first time will receive a notice indicating that a penalty waiver was granted for the first offense.
- **No action is needed with respect to these notices.**
- If any additional tax, penalty or interest is due, it will be billed separately.





Filing Mistakes / Corrections

Withholding Filing Mistakes / Corrections

**Discrepancies
BEFORE Year
End- Actions
Needed**

If a discrepancy is discovered BEFORE W2's are finalized:

- Amend incorrect Form 11(s) using Form 11A
- Ensure the corrected annual totals are reflected in the Form 17
- ... & W2's.



Withholding Filing Mistakes / Corrections

Discrepancies BEFORE Year End- Form 11A Basics

Form 11A is an amended withholding form that is completed by period for the incorrect munis.

- The Form 11A is required to be completed for each period that was originally filed incorrectly.
- The Form 11A should only list the municipalities that need to be corrected.

Withholding Filing Mistakes / Corrections

Discrepancies BEFORE Year End- Form 11A Basics

- A detailed explanation is required on page 2
 - Address where the wages were earned is required if the adjustment is for a municipality change.
 - Explanation as to why wages are being increased/reduced is required if the adjustment is for a wage change.
- Credit carry forward can only be used with in the same tax year as the adjustment is made
- Refund requests that are less than \$10 will not be issued.

Withholding Filing Mistakes / Corrections

Discrepancies BEFORE Year End- Form 11A Basics

When NOT to file a Form 11A

- Wage amounts were incorrect but tax was correct
- Reported correct tax amount as workplace when it should have been residence or vice versa.

Withholding Filing Mistakes / Corrections

Discrepancies
AFTER Year
End: How to
determine
course of
action

If a discrepancy is discovered AFTER
W2's are finalized:

Is the discrepancy:

- The wrong muni withheld for or,
- The wrong amount



Withholding Filing Mistakes / Corrections

Discrepancies
AFTER Year End:
How to
determine
course of action

Who? What?
Why? How?
When? Where?

Answer the following question:

- Who is the withholding refund for?
 - Another municipality or the employee?
 - This will help determine which form need to be completed

This determines:

- What form needs to be completed
- When to issue a W2C
- When the employee should request the refund

Withholding Filing Mistakes / Corrections

Discrepancies
AFTER Year End:
How to
determine
course of action



What form needs to be completed?

- Form 11A (Amended Employer Withholding Form 11) will:
 - make corrections to the **employer** account
 - move money between RITA municipalities
 - post additional tax
 - refund back the company.
- Form 10A (Individual Request for Refund)
 - will NOT correct the employers account
 - allow for the employee to be refunded if they were incorrectly withheld on /over withheld.

Withholding Filing Mistakes / Corrections

Discrepancies
AFTER Year End:
How to
determine
course of action

When to issue a W2C?

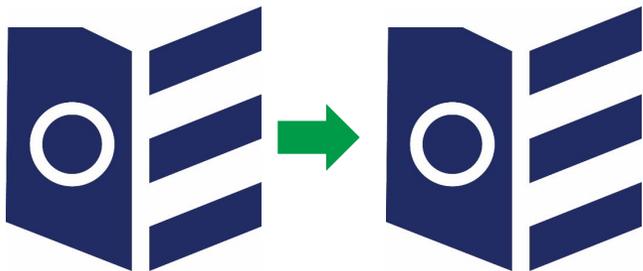
- Tax is owed to another municipality
- Amount of wages/tax that were originally reported is incorrect
- Company already corrected the discrepancies on the employee's end and is now looking to be reimbursed
 - Company has already paid the correct municipality or refunded the employee and is now looking to be reimbursed.

WITHHOLDING TAX



Withholding Filing Mistakes / Corrections

Wrong Muni
Corrections:
Workplace Tax-
RITA muni to RITA
muni



If the discrepancy is that the wrong muni withheld for workplace withholding RITA muni – different RITA muni

Form 11A needs to be completed to correct the original filings.

- If the original amount paid is correct, but the money needs to move between the RITA municipalities, DO NOT send in a payment with the Form 11A and request a refund for the same period.
- If there is a tax rate difference between the municipalities, use Form 11A to pay any additional tax or request a refund.
- W2Cs will need to be completed if the original W2s filed are incorrect.

Withholding Filing Mistakes / Corrections

Wrong Muni
Corrections:
Workplace Tax-
RITA muni to Non
RITA muni



If the discrepancy is that the wrong muni withheld for workplace withholding: RITA vs Non RITA

Form 11A needs to be completed to correct the original filings if the original payments received are due to a NON-RITA municipality.

- Address of the location where the wages were earned is required.
- W2Cs will need to be completed if the original W2s filed are incorrect.
- Refunds for workplace tax that was incorrectly withheld will be sent to the company. **The company is responsible for filing & paying the tax to the correct municipality.**

Withholding Filing Mistakes / Corrections

Discrepancies
AFTER Year End:
Individual
Refunds

When should the employee request the refund?

1. If the employee was withheld on for the incorrect tax rate
2. If the employee was withheld on for the incorrect residence location and that location is not a RITA municipality
3. If the employee was withheld on for residence tax and their residence municipality has a credit
4. If they worked in a NON-TAXING district
 - Ex. the employee worked in a township or they worked out of state.



Withholding Filing Mistakes / Corrections

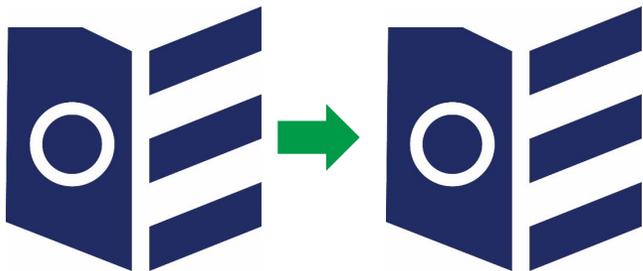
Form 10A –
Employee
Refund
Request
Form

Form 10A (Individual Request for Refund) needs to be completed to refund back the employee.



Withholding Filing Mistakes / Corrections

Wrong Muni
Corrections:
Residence Tax-
RITA muni to RITA
muni
Form 11A



If the discrepancy is for the wrong muni withheld for residence withholding.

- **Form 11A** needs to be completed to correct the original filings if both municipalities involved are RITA members
 - Address of the location where the employee lives is required
 - Form 17 & W2s will need to be corrected if the originals filed are incorrect.

Withholding Filing Mistakes / Corrections

Wrong Muni
Corrections:
Residence Tax-
RITA muni to Non-
RITA muni
Form 10A



If the discrepancy is for the wrong muni withheld for residence withholding – NON RITA.

- **Form 10A** is required if the payments received are due to a NON-RITA municipality or if the employee lives in a NON-TAXING district.
- The employee is entitled to the refund.
- Copy of W2 showing withholding for what was originally filed is required to be sent in with Form 10A.

Withholding Filing Mistakes / Corrections

Wrong Amount
Corrections:
Correct
municipality

If the discrepancy is for the wrong amount?

- If the amount is underpaid – file a Form 11A to pay the difference

If the amount is overpaid (versus over-withheld which was covered earlier); file a Form 11A to request a:

- Refund more than \$10.
- Credit within the same tax year as the adjustment being made.



Tips for Worry-Free Filing

Tip for correspondence-free filing

Help us help you...
Tip #1

Confirm JEDD or JEDZ distributions with you or your client **prior to** filing returns.



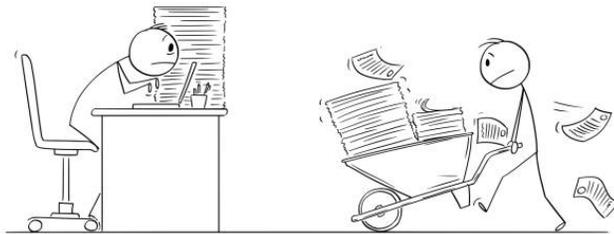
Tip for correspondence-free filing

The more info we get up-front, the better.

Help us help you...
Tip #2

This ensures more efficient processing.

Examples: large wage increase/decrease explanations, missing distribution explanation, new muni explanation.



Tip for correspondence-free filing

Letters /
Correspondence

Tip #3



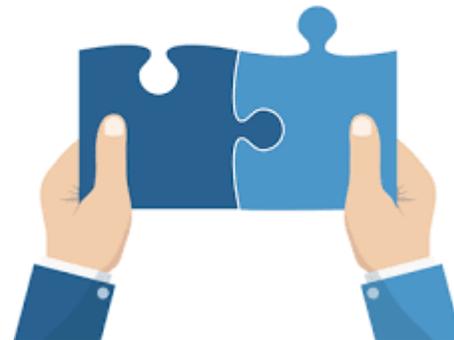
Employers Be Aware –

- You will receive letters from RITA when withholding changes.
- Our systems and processes are designed to notice changes.
- Respond to our notices so we understand that changes are intentional and/or related to employee locations.
- *You may head off these notices by including an explanation with your filing.*

Tip for correspondence-free filing

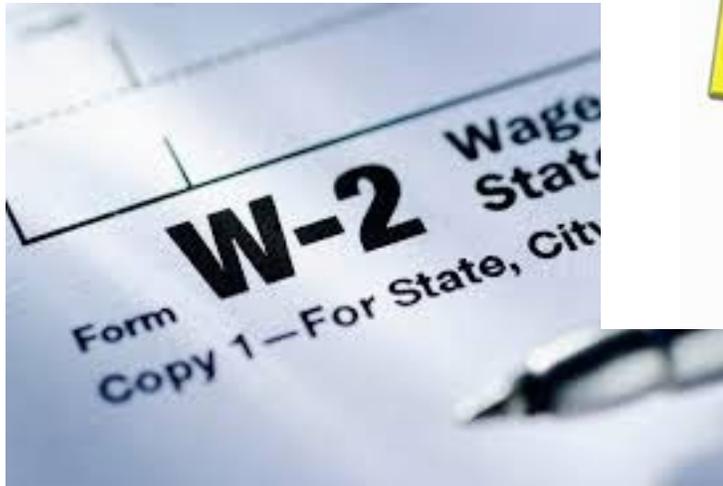
Help us help you...
Tip #4

Match your Form 11
filings with your Form 17
with your W2's. 😊



Changes to electronic W2 filing limit for 2024

- Taxpayers remitting 10 or more W2s will be required to remit them electronically beginning with the 2024 tax year.
- W2 specs are available on our website



A screenshot of the Regional Income Tax Agency (RITA) website homepage. The page features a dark blue header with the RITA logo and navigation buttons for 'FastFile', 'MyAccount', and 'FastPay'. A sidebar menu on the left lists various services such as 'Forms', 'Individuals', 'Businesses', 'File Your Taxes', 'Make A Payment', 'Online Services', 'Forms And Instructions', 'Form Mailing Addresses', 'Filing Due Dates', 'Semi-Monthly Requirements', 'W-2 Reporting Requirements', 'Bulk Tax Filing Program', 'Stock Options And Non-Qualified Deferred Comp', 'Tax Professionals', 'News & Updates', and 'Municipal Income Tax'. The main content area includes a notice about office closures on January 15, a search bar, and a section titled 'W-2 Reporting Requirements' with detailed text about electronic filing rules and a link to 'W-2 Reporting Specs'.

IRC §291 adjustments

§718.01(E)(10)

If the taxpayer is not a C corporation, is not a disregarded entity that has made the election described in division (L)(2) of this section, is not a publicly traded partnership that has made the election described in division (D)(5) of this section, and is not an individual, the taxpayer shall compute adjusted federal taxable income under this section as if the taxpayer were a C corporation, except ...



IRC §291 adjustments

- The Ohio Revised Code §718.01(E)(10) requires partnerships and S-corporations to calculate their depreciation recapture as if these taxpayers were a C corporation.
- C corporations must make the IRC section 291 adjustment when calculating their depreciation recapture on the sale of a section 1250 asset.
- The portion of the gain classified for federal tax purposes as IRC section 1250 gain is taxable and is included in the net profit subject to apportionment.



The Section 291 Adjustment to 1250 Gains

Form **4797** Sales of Business Property (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2)) OMB No. 1545-0184 **2023** Attachment Sequence No. 27

Form 4797 (2023) **Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255** (see instructions) Page 2

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:

	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		

These columns relate to the properties on lines 19A through 19D.

	Property A	Property B	Property C	Property D
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				

20 Gross sales price (Note: See line 1a before completing.) 20

21 Cost or other basis plus expense of sale 21

22 Depreciation (or depletion) allowed or allowable 22

23 Adjusted basis. Subtract line 22 from line 21. 23

24 Total gain. Subtract line 23 from line 20 24

25 If section 1245 property:

a Depreciation allowed or allowable from line 22 25a

b Enter the smaller of line 24 or 25a 25b

26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.

a Additional depreciation after 1975. See instructions 26a

b Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions 26b

c Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e 26c

d Additional depreciation after 1969 and before 1976 26d

e Enter the smaller of line 26c or 26d 26e

f Section 291 amount (corporations only) 26f

g Add lines 26b, 26e, and 26f 26g

27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership.

a Soil, water, and land clearing expenses 27a

b Line 27a multiplied by applicable percentage. See instructions 27b

29 If section 1255 property:

a Applicable percentage of payments excluded from income under section 126. See instructions 29a

b Enter the smaller of line 24 or 29a. See instructions 29b

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24 30

31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 31

32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6 32

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33		
34		
35		

33 Section 179 expense deduction or depreciation allowable in prior years 33

34 Recaptured depreciation. See instructions 34

35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report 35

1. Complete Lines 25a and 25b.
2. Subtract Line 26g from Line 25b.
3. On Schedule X, the taxpayer should have reduced the 1231 gains on assets held more than one year (Line 7) by 20% of the amount calculated in Step 2 above.
4. If the 1250 property was acquired after to 1986, the 291 add-back is 20% of 25b since Line 26g = 0.

For federal tax purposes, only C-corporations make this adjustment.

IRC §291 adjustments

These columns relate to the properties on lines 19A through 19D.		Property A
20	Gross sales price (Note: See line 1a before completing.)	20 1,000,000
21	Cost or other basis plus expense of sale	21 500,000
22	Depreciation (or depletion) allowed or allowable	22 400,000
23	Adjusted basis. Subtract line 22 from line 21.	23 100,000
24	Total gain. Subtract line 23 from line 20	24 900,000
25	If section 1245 property:	
a	Depreciation allowed or allowable from line 22	25a
b	Enter the smaller of line 24 or 25a	25b
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.	
a	Additional depreciation after 1975. See instructions	26a
b	Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c
d	Additional depreciation after 1969 and before 1976	26d
e	Enter the smaller of line 26c or 26d	26e
f	Section 291 amount (corporations only)	26f
g	Add lines 26b, 26e, and 26f	26g 0

To calculate the Section 291 Schedule X add-back do the following:

1. Complete lines 25a & 25b on Form 4797, Page 2, Part III to compute what the ordinary gain (Line 25b) would have been if the property was 1245 property instead of 1250 property. In the example, the 1245 gain (Line 25b) would be \$400,000;
2. From the 1245 gain you just calculated, subtract the gain reported on Line 26g. In the example, this would not make a difference (\$400,000 - \$0).
3. Reduce the Schedule X section 1231 gain adjustment by 20% of the difference calculated in Step 2. In the example, you would need to reduce the 1231 gains reported on Schedule X by \$80,000 (\$400,000 x 20%).

Website Tools – Send Us a Message

- Allows a taxpayer to ask questions and communicate via email with a RITA representative. Responses are often provided within the same day and required to be provided within 48 hours.

The screenshot displays the RITA MyAccount website interface. The top navigation bar includes the RITA MyAccount logo, a 'Log Out' button, and a user welcome message 'Welcome 999701WTH102'. A dark sidebar on the left contains a menu with categories: MyAccount, Tax Filings, Account Changes, Refund, Payments / Balance, Contact Us, and Account Profile. The 'Send Us a Message' option under 'Contact Us' is highlighted. The main content area features a green header for the 'Send Us a Message' form. The form fields include: Date (07/07/2023), First Name (REQUIRED), Last Name (REQUIRED), Contact Phone Number (with an 'International' checkbox), a message category dropdown (REQUIRED), and a message text area (LIMIT TO 500 CHARACTERS, REQUIRED). At the bottom, there are buttons for 'MyAccount Summary' and 'Submit'.

RITA MyAccount Log Out Welcome 999701WTH102

Send Us a Message

Date: 07/07/2023

First Name: (REQUIRED)

Last Name: (REQUIRED)

Contact Phone Number: International

Select a message category: (REQUIRED)

Message (Limit to 500 characters): (REQUIRED)

[MyAccount Summary](#) [Submit](#)

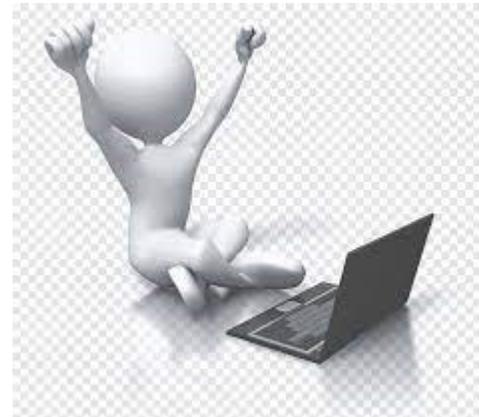
WHAT'S



Developments coming soon



- **Document Upload**



We're Social

Connect with
Us



On Instagram
COMING SOON!



On Twitter
@ritaohio



On LinkedIn

[linkedin.com/company/regional-income-tax-agency/](https://www.linkedin.com/company/regional-income-tax-agency/)

Thank You!

ritaohio.com

