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Do not file draft forms. Although we do not expect this draft to change significantly before we publish the final version, we will not post the final version until after year-end.

The Regional Income Tax Agency (RITA)

For the most up to date list of municipalities that RITA collects for and their tax rates please visit ritaohio.com/TaxRatesTable. If you do not have internet access you can contact our Customer Service department for this information at 1.800.860.7482 ext. 5002.

Instructions for Form 37

These instructions are only guidelines. The applicable municipal ordinances and rules and regulations take precedence.

General Information:

Online: Access the RITA website at ritaohio.com to **FastFile or eFile your return online free of charge,** research frequently asked questions, download forms.

Mail: Returns filed by mail must be postmarked no later than April 15, 2027. See Required Documentation on Page 2 of these instructions for the documents that must be included with the return.

Phone: For tax assistance, contact our offices toll free at 1.800.860.7482 or for **TDD:** 440.526.5332, **Monday-Friday 8am to 5pm**. Using our automated system 24 hours a day, you can verify the amount of estimated tax payments and credits on your account or make a payment by calling 1.800.860.7482. **Please visit ritaohio.com for extended phone hours as the tax filing season approaches.**

Please visit ritaohio.com for available locations, hours and special announcements.

Payments: To avoid processing delays pay online using our electronic tools available at ritaohio.com: Log into **MyAccount** 24/7 to make payments and check account balances. Make a one-time payment without creating an account using **FastPay**. Or pay by phone with 24/7 self-service options at 800.860.7482.

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RITA Municipalities:

RITA member municipalities may have specific instructions or requirements for filing returns, reporting income and/or making estimated payments. Go to ritaohio.com and click on the RITA Municipalities link. Next, select the applicable municipality. Use this resource for specific items that may apply to a RITA municipality.

Filing Requirements:

If you were a resident of a RITA municipality during any part of the year, you must either file a Form 37 return with RITA or, if eligible, a Declaration of Exemption. An **Exemption** form may be filed electronically or downloaded at ritaohio.com. A non-resident must file Form 37 if the non-resident conducted business in a RITA municipality or earned wages in a RITA municipality and municipal income tax was not withheld, or was not properly withheld, from those wages. "Conducting business" means the non-resident earned self-employment, farm or rental income in a RITA municipality.

You may owe municipal income tax to both the municipality where you lived (your resident municipality) and to the municipality where you worked or conducted business (your work municipality). If you are a resident of a RITA municipality or a non-resident that conducted business in a RITA municipality, an annual return is required whether or not you have tax due. If you are a resident of a RITA municipality and you had no taxable income, file an **exemption** electronically using FastFile or MyAccount at ritaohio.com.

When to File:

File Form 37 by **April 15, 2027.** If you file after this date, you may be subject to penalties and interest.

Extensions of Time to File:

It is not necessary to file a copy of your federal extension with RITA by April 15, 2027. If you have requested or received an extension to file your federal income tax return, your municipal income tax return is automatically extended as well. However, you must indicate that you filed a federal extension with your tax year 2026 Form 37 on or before October 15, 2027 by checking the extension box on the first page of the Form 37. **An extension to file is not an extension to pay - the tax you owe is still due by April 15, 2027. Pay online using FastPay or MyAccount or remit with Form 32 EST-EXT to pay your tax balance due.** Form 32 EST-EXT is available at ritaohio.com.

Extensions of time to file have no effect on the due dates of the 2027 estimated taxes. If you file on an extension, your first 2027 estimated tax payment is still due April 15, 2027. If you file on an extension and you expect to owe more than $200 in estimated taxes for 2027, remit your 2027 first quarter estimated payment with Form 32 EST-EXT by April 15, 2027.

Refund or Credit:

Indicate whether you want an overpayment of your 2026 tax to be credited towards your 2027 estimate or refunded to you by entering the appropriate amount in Section B on Line 18 for a credit or Line 19 for a refund. If you are requesting a refund for:

- Overpayment of **Estimated Tax Payments:** complete Form 37.
- **Excess Payroll Withholding Tax** (including tax withheld for a person under 18 years of age): complete Form 10A. Obtain Form 10A at ritaohio.com.

NOTE: State Law mandates that amounts $10.00 or less will not be refunded. Refunds received from your work municipality may affect the tax due to your resident municipality.

Deceased Taxpayer:

If a taxpayer died before filing a return for 2026, the taxpayer's spouse or personal representative may have to file a return for that taxpayer. The person who files the return must enter the word "Deceased," the deceased taxpayer's name, and the date of death in the applicable (primary or spouse) name box on the top of the return. If this information is not provided, it may delay the processing of the return.

Penalty and Interest:

In accordance with state law and municipal ordinances, penalty and interest will be imposed for failure to file a return and to pay taxes, including estimated taxes for the current tax year. See the instructions for Line 20a for the minimum estimated tax requirements. If your estimated payments are not equal to, or greater than, your prior year's total tax liability or 90% of your current year's total tax liability, you will be subject to penalty and interest charges.

Name(s), Address and Social Security Number(s):

Print your name(s), address and social security number(s) within the boxes provided.

Amended Returns:

If you are filing an amended return, check the appropriate box on the top of page one of the return. State why you are filing an amended return in the space provided or attach documentation to the Form 37.

Residency Status in RITA Municipalities:

Please select the box that best applies to your specific situation:

- **Full-Year:** Check this box if you lived in one or more RITA municipalities for all of 2026.
- **Part-Year:** Check this box if you lived in a RITA municipality for part of 2026.
- **Non-Resident:** Check this box if you did NOT live in a RITA municipality for any part of 2026.

City/Village/Township of Residence:

Please complete the City/Village/Township of Residence section on Page 1 of Form 37 for the physical location of your residence, including address, municipality or township, state and zip code for the entire tax year through the date you file this return. If you moved during that time period, provide the effective date of each move and the corresponding address, municipality or township, state and zip code in the boxes provided.

In order to properly calculate your tax, the city/village/township is required to be provided. It is important that you list the physical location of your residence, not the municipality listed in your mailing address. For example, if you use Columbus as your mailing address, but you live in Grove City or Upper Arlington, list Grove City or Upper Arlington, not Columbus. The same holds true if you live in the Cleveland, Dayton or Cincinnati area, and use one of those municipalities for your mailing address.

If you moved out of a RITA municipality, **with no intent to return** and will maintain your current mailing address as your address of record, enter your new physical location in the City/ Village/Township box.

Required Documentation:

You must include copies of all W-2 form(s), the first two pages of your IRS Form 1040, including Federal Schedule 1, and any 1099-NEC, 1099-MISC, K-1 forms, Federal Schedules C, E and F filed with your federal tax return. If you are claiming a credit for taxes you paid directly to another municipality (not through employer withholding), you must include a copy of that municipality's completed tax form as proof of payment of tax. RITA may request additional information in order to verify your municipal income tax return. **NOTE:** Failure to include the proper verification of the amounts stated on the return or to provide relevant documentation upon request may affect amounts of taxable income and/or allowable credit.

Taxable Income includes but is not limited to:

- **Qualifying wages**: Wages, salaries, commissions, severance pay, self-employment wages reported on a W-2, other compensation including fees, sick pay, bonuses and tips whether or not your W-2 form shows this income as taxable for local tax purposes. Your contributions to retirement plans, annuities, deferred compensation, 401(k) or individual retirement accounts are taxable whether or not your W-2 form shows this income as taxable for local purposes. For most taxpayers, qualifying wages cannot be less than Medicare wages (Box 5 of the W-2 form). For taxpayers receiving income related to stock options, this income may be included in federal wages (Box 1) but not in Medicare wages (Box 5), but is still considered qualifying wages and must be included as taxable income.
- **S-Corporation Distributive Share Income:** Shareholder's distributive shares that do not represent wages are generally not taxable and should not be reported on Form 37. Refer to instructions for Schedule J (Line 26), Schedule P, and Worksheet R.
- Fellowships, grants or stipends paid to a graduate or undergraduate are taxable in the full amount except that amounts allocated in writing for tuition, books and laboratory fees shall be excluded.
- **Self-employment, farm income and a partner's share of a partnership's income**.
- **Rents and lottery/gambling winnings**.
- **Employer provided supplemental unemployment benefits (sub pay).**
- **Income from grazing, oil and gas rights**.
- **Stock options and nonqualified deferred compensation plans** to the extent they are taxable as provided by ordinance. ***See Stock Options and Non-Qualified Deferred Comp list at ritaohio.com for exceptions.***
- ***See Individual FAQs-Taxable/Nontaxable Income list at ritaohio.com for more information on taxable income.***

Warning: Taxable Income is subject to verification by the IRS. Non-reporting or underreporting of income will result in the imposition of penalty and interest as provided by local ordinance.

Non-Taxable Income:

Income not taxed by municipalities includes: interest (1099-INT), dividends (1099-DIV), Social Security, pensions, compensation paid to precinct election officials up to $1,000, workers compensation, public assistance, state unemployment compensation, active service and reserve military pay, alimony receipts, and income earned by individuals under 18 years of age. ***See the RITA Municipalities section at ritaohio.com for detailed municipality information.***

Rounding to Whole Dollars:

Rounding to whole dollars is permitted.

Signature(s):

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

Section A – Wage and Other W-2 Income:

NOTE: Section A should be used by residents (including part-year residents) of RITA municipalities. Non-residents who earned wages in a RITA municipality from which their employer did not withhold all or part of the RITA municipality tax due should also use Section A and complete Schedule K (Form 37), Line 34.

List your W-2 wages, W-2G winnings and the tax withheld in Columns 1-6 of Section A. Each W-2/W-2G must be listed in a separate row. If you moved during the year or your municipality had a mid-year tax rate change, allocate your income (and related withholding) before and after each event. If you were a resident of a RITA municipality for only part of the year, you may exclude from Section A the income you earned while a non-resident, unless it was earned in a different RITA municipality to which there will be tax due. Be sure to indicate the date(s) when the income was earned or the date(s) of winnings in Column 6.

Column 1: Enter winnings reported to you on W-2G, or the Qualifying Wages you earned from each of your employers.

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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.***

Column 3: Enter the residence tax your employer withheld from your wages for the municipality where you lived, if any. ***Do not include any school district tax withheld from your wages.***

Note for Columns 2 and 3: If you work out of state, you may be subject to local county income tax. Generally, no credit is given for county income taxes paid. However, there are some municipalities that may allow a credit for payment of out of state county income taxes. Please see RITA Municipalities section at **ritaohio.com** for detailed municipality information.

Column 4: Indicate the name of the municipality where you physically worked, or won. This information may appear on your W-2/W-2G form(s).

Column 5: Indicate the name of the municipality where you lived.

Column 6: If your wages were not earned throughout the entire calendar year, or you moved, indicate the from/through dates in which the wages were earned. If you had lottery/gambling winnings, enter the date of winnings shown in Box 2 of your form W2-G.

Section B – Tax Calculation:

If you have non W-2 income to report or owe tax to a RITA municipality other than your resident municipality, complete Schedules J, K, and/or P before you complete Section B. **Section B, Lines 1 through 9 do not apply to taxpayers who were not RITA residents at any time during the tax year, and who are completing Schedules J and/or K**.

Line 1a – Total W-2/W-2G Wages: Enter your total W-2 wages and W-2G winnings from Section A, Column 1.

Line 1b – Income from Schedule J: If you operate a business as a sole proprietor, own rental property, operate a farm and/or you are a partner in a partnership or shareholder in a Subchapter S-Corp., enter the total of your taxable income not reported on a W-2 form from Schedule J, Line 29. If the amount on Schedule J, Line 29 is negative, enter -0- on line 1b. *See the S-Corp Treatment list at **ritaohio.com** for detailed municipality Subchapter S-Corp. treatment.*

Line 3: Multiply Line 2 by the tax rate of your resident municipality. Tax Rates can be found online at **ritaohio.com**.

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.

Line 4b – Direct Payments from Schedule K: Enter the amount from Schedule K, Line 37, if applicable. **DO NOT LIST ESTIMATED PAYMENTS FOR YOUR RESIDENT MUNICIPALITY ON LINE 4B. ESTIMATED PAYMENTS ARE REPORTED ON LINE 13.**

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.

Line 5b – Credit Rate: Use the Credit Rate Worksheet on Page 2 of Form 37 or a separate sheet of paper to calculate your tentative credit on Line 5b.

- **Column A:** List each separate W-2/W-2G income earned outside your resident municipality (from Section A, Column 1). **NOTE:** If a wage was not fully withheld at the tax rate of the workplace municipality, or a portion of tax withheld from your wages was refunded to you, your credit may be further limited.
- **Column B:** List the Credit Rate for your resident municipality. The Credit Rate for your resident municipality can be found at **ritaohio.com;** RITA Municipalities or Tax Rates sections.
- **Column C:** Multiply each separate W-2 or W-2G income by your resident municipality's Credit Rate from Column B. These are the maximum amounts of tax paid to your work municipality for which your resident municipality gives you credit.
- **Column D:** List the work municipality tax actually paid or withheld.
- **Column E:** Take the smaller of the two amounts from Column C or D and enter the amount in Column E. If applicable, enter amount from Worksheet L, Row 17, Column 7 in the 2nd last row of the Credit Rate Worksheet. **Total Column E and place the total in Page 2, Section B, Line 5b.**

Line 5c: Enter the lesser amount from Line 5a or 5b (enter the smaller amount).

Line 6: Multiply Line 5c by the Credit Factor of your resident municipality. The Credit Factor for your resident municipality can be found online at **ritaohio.com;** RITA Municipalities or Tax Rates sections.

Line 7a – Tax Withheld for Resident Municipality: Enter the amount of tax withheld by your employer for your resident municipality, if any (do not include any school district tax). For wages earned outside the resident municipality, **Line 7a should not exceed the product of those wages times the resident municipality tax rate, minus the credit as calculated on Line 6.** (If Line 7a does exceed this amount, complete Form 10A to apply for a refund or credit.)

Line 7b – Tax Paid by Partnerships/S-Corporations/Trusts to Your RESIDENT MUNICIPALITY: Use Worksheet R on page 5 of the Form 37 to calculate the allowable credit for tax paid by the entity to your RITA Resident Municipality.

To receive credit for net profit taxes paid by partnerships, S-Corps or Trusts, include a copy of page 2 your Federal Schedule E, and a list of municipalities paid.

Line 8: Add Lines 6, 7a and 7b. Enter the results on Line 8.

Line 9: Subtract Line 8 from Line 3. Enter the results on Line 9.

Line 10: Enter any tax due to a RITA municipality from Schedule K, Line 34.

Line 11: Enter any tax due to a RITA municipality from Schedule J, Line 33.

Line 12 – Total Tax Due RITA: Add Lines 9, 10 and 11. Enter the results on Line 12. **If Line 12 is less than zero, your employer may have overwithheld tax on your W-2 form.** To receive a refund for over withholding, a Form 10A must be completed in addition to your Individual Tax return, Form 37. When you file a Form 10A, the amount of tax withheld reported in Section A, Columns 2 or 3 of Form 37 must be reduced by the amount claimed on the refund request. You can obtain forms at **ritaohio.com** or by calling any one of the RITA offices. **Before filing Form 10A, be sure the correct wage amount was used. In general, municipal taxable wages are the greater of the Medicare taxable wages (Box 5) or local taxable wages (Box 18) from the W-2 form.**

Line 13 – Estimated Payments: Add your 2026 estimated tax payments and enter the sum on Line 13. Do not include payments made in 2026 for a previous tax year.

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Line 14 – Credit from Prior Year: Enter any credit from the prior year. You can verify the amount of estimated tax payments and credits on your account by logging into MyAccount at ritaohio.com or using the automated system available 24 hours a day by calling 440.526.0900 or 1800.860.7482.

Line 16 – Balance Due: If Line 15 is less than Line 12, subtract Line 15 from Line 12. Enter the difference on Line 16. If the amount is $10.00 or less, enter -0-. **THE BALANCE DUE MUST BE PAID TO RITA WHEN YOU FILE THIS RETURN.**

ADDITIONALLY YOU MUST PAY AT LEAST 1/4 OF YOUR ESTIMATED 2026 TAX LIABILITY (SEE LINE 20).

Line 17 – Overpayments: If Line 15 is greater than Line 12, subtract Line 12 from Line 15. Enter the difference on Line 17. **NOTE: LINE 17 MAY NOT BE SPLIT BETWEEN A CREDIT AND A REFUND.**

Lines 18 and 19: If you have an overpayment on Line 17 and you want your overpayment credited to 2027, enter the full amount from Line 17 on Line 18. If you want your overpayment refunded to you, enter the full amount from Line 17 on Line 19. Amounts $10.00 or less will not be refunded.

Line 20a – 2026 Estimated Taxes: If you anticipate owing $200 or more in municipal income tax, you must estimate your taxes and make quarterly payments as your income is earned. You may use the amount on Line 12 as your estimate. Otherwise, you may complete Worksheet 1 – Estimated Tax Computation below. If your estimated payments are either less than 90% of the tax due, or not equal to or greater than your prior year's total tax liability (Line 12), you will be subject to penalty and interest.

If Line 20a is left blank, an estimate will be calculated by RITA and if the total amount is $200 or more, you will receive a bill for estimated payments. If you fill in a total estimate of less than $200 on Line 20a, you will also receive a bill for estimated payments.

If estimated payments are made on a joint account, and the taxpayers file separately for the subsequent tax year, the payments will remain on the account of the primary taxpayer from the joint account unless the amount to apply to each taxpayer's separate account is allocated in writing by the taxpayers.

Worksheet 1 – Estimated Tax Computation:
If you are not a resident of a RITA municipality, skip to Line 9 of Worksheet 1.

	RITA Municipality Resident Section:	
1.	Estimated total taxable income for 2027.	
2.	Multiply Line 1 by the 2027 resident municipality tax rate.	
3.	Tax expected to be withheld or paid to your work municipality.	
4.	Multiply each **separate** income earned outside your resident municipality by the Credit Rate of your resident municipality and provide the total here.	
5.	Multiply Line 3 or 4, whichever is less, by the Credit Factor of your resident municipality.	
6.	Tax expected to be withheld for resident municipality.	
7.	Add Lines 5 and 6.	
8.	Subtract Line 7 from Line 2. If total is $200 or more, enter this amount in Section B, Line 20a. If amount is less than $200 and you would like to make estimated payments, enter total of Line 8 in Section B, Line 20a.	
	Non-Resident Section:	
9.	Estimate your total income expected to be earned in a RITA municipality and not be withheld on by an employer.	
10.	Multiply Line 9 by the RITA workplace municipality tax rate. If total is $200 or more, enter this amount in Section B, Line 20a. If amount is less than $200 and you would like to make estimated payments, enter total of Line 10 in Section B, Line 20a.	

Line 20b – Estimated Taxes Due With Return: Enter the first quarter 2027 estimate (1/4 of Line 20a) or full estimate (Line 20a).

Payment: If you owe tax as shown on Line 22, **pay online using FastPay or MyAccount at ritaohio.com to avoid processing delays.** If you are not paying online please make check or money order for the amount due payable to RITA and attach the payment to the front of your return. A fee will be charged to your account for a dishonored check or a check/electronic debit that is unable to be processed. Additionally, you understand and agree that we may collect a returned item processing fee as allowed by State Law.

Schedule J Instructions:
Use Schedule J to report net profits or net losses from the operation of a business as a sole proprietor, rental property you own, or the operation of a farm. Also use Schedule J if you have pass-through income from a partnership, S-Corp. or trust in your RITA Resident Municipality. If you are **not** a resident of a RITA municipality, **do not** report pass-through income from a partnership, S-Corp., or trust.

If you moved between one RITA municipality and another during the year you will need to allocate your non-wage income and report that amount on Schedule J, and provide a separate worksheet listing effective dates of income allocation.

RITA RESIDENTS WITH PASS-THROUGH INCOME ONLY: Schedule P and Worksheet R supplement Schedule J and/or Worksheet L.

- Use Schedule P if pass-through income/loss was earned in any non-resident, taxing municipalities.
- Use Worksheet R if you are a resident of a RITA Municipality and you need to calculate the tax paid by the pass-through to your RITA Resident Municipality.

What Constitutes Net Profits: Net profits shall be determined on the basis of the information used for federal income tax purposes, adjusted to the requirements of the ordinance of a RITA municipality. Expenses attributable to nontaxable income are not deductible. Gains and losses from the sale or exchange of capital assets to the extent recognized as capital gains or losses for federal income tax purposes are generally not to be considered in arriving at net profits.

How to Treat a Net Loss: Beginning with losses incurred in 2017, a net operating loss may be carried forward for 5 years. No portion of a net operating loss shall be carried back against net profits of any prior year. No portion of a net operating loss shall be used to offset W-2 income.

For Tax Year 2026, only one RITA municipality allows a net operating loss to be carried forward greater than five (5) years for tax years beginning prior to 1/1/17: MCDONALD allows a net operating loss to be carried forward for a maximum of ten (10) years for tax years beginning prior to 1/1/17.

Follow the column descriptions:

- Use **Column 1** to report net profits or net losses applicable to **your RITA Resident Municipality** ONLY.
- Use **Column 2** to report net profits or net losses for **non-taxing** Municipalities ONLY. Multiple non-taxing municipalities should be combined to report one total for each Line of Column 2.
- Use **Columns 3-6** to report net profits or net losses from operating a business as a sole proprietor, owning rental property, or operating a farm in any other taxing jurisdictions.

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Line 23: List all income/loss from Federal Schedule C. If you operate your business in more than one municipality, you must allocate your income between each applicable municipality in Columns 1 through 6. Attach additional copies of Schedule J if you need more columns. Also attach a copy of your Federal Schedule C and any supporting schedules. **Schedule C net profits may not be reduced by any additional allowable federal deductions, such as one-half self-employment tax.**

Line 24 – Rental Income/Loss: List all rental income/loss and/or income/loss from the production of an oil or gas well and mineral rights from Federal Schedule E, Part I as reportable for federal purposes. Attach a copy of your Federal Schedule E and any supporting schedules. If you have rental property located in a RITA municipality, you are considered to be engaged in a business activity and the net income is subject to tax whether or not you are a resident of a RITA municipality. If you own rental property in more than one municipality, each municipality should be listed separately in Columns 1-6 as applicable. **If you own rental property and are a resident of a RITA municipality, you will be subject to the tax on the net income of such rental regardless of the location of that rental property.**

Line 25 – Other Taxable Income (or Loss): List all other non W-2 income such as farm income/loss reported on Federal Schedule F (Form 1040), Profit or Loss From Farming, 1099 non-employee compensation or 1099 miscellaneous income not reported on Federal Schedule C, director fees, and ordinary gains and losses reported on Federal Form 4797. Make sure to put the amount earned in each municipality in the proper column. Attach schedules detailing all amounts reported on this line.

Line 26 – Pass-Through Income/Loss (Partnership/S-Corp./Trust): For pass-through income earned in your **RITA Resident Municipality**, enter the total of partnership/S-Corp./trust income from Federal Schedule E in Column 1. For pass-through income earned in non-taxing locations, enter the total of partnership/S-Corp./trust income from Federal Schedule E in Column 2. If you are a **resident of a RITA municipality** and earned pass-through income in taxing municipalities other than your RITA Resident Municipality, complete **Schedule P**. If you are **not** a resident of a RITA municipality, you do not report pass-through income from a partnership, S-Corp., or trust to RITA.

S-Corp. distributive shares that do not represent wages are generally not taxable and should not be reported on Form 37. There are municipalities that have exceptions to this rule, see the S-Corp. Treatment list at ritaohio.com. for detailed municipality Subchapter S-Corp. treatment.

Line 27 – Current Year Workplace Income/Loss:

- For Columns 1-2, total Lines 23 through 26.
- For Columns 3 through 6, total Lines 23 through 25.
- For Column 7, add each total (Columns 1-6 across).

Line 28 – Prior Year Loss Carryforward: If you are a resident of a RITA municipality and you reported an overall net loss for tax year 2025, enter the amount on this Line. For Tax Year 2026, only one RITA municipality allows a net operating loss to be carried forward greater than five (5) years for tax years beginning prior to 1/1/17: MCDONALD allows a net operating loss to be carried forward for a maximum of ten (10) years for tax years beginning prior to 1/1/17.

Line 29 – Net Resident Taxable Income: Add Column 7, Line 26 and Line 27 and subtract Line 28.

Calculate tax due on Workplace Income by completing Lines 30 through 33.

Line 30 – Workplace Loss Carryforward: If you had a net operating loss carryforward in your workplace municipality (the municipality in which your non-wage income was earned) from Tax Year 2025, enter the amount on this Line. **NOTE:** A net operating loss carryforward in a workplace municipality can only offset a gain within the same workplace municipality. Beginning with losses incurred in 2017, a net operating loss may be carried forward for 5 years. For Tax Year 2026, only one RITA municipality allows a net operating loss to be carried forward greater than five (5) years for tax years beginning prior to 1/1/17: MCDONALD allows a net operating loss to be carried forward for a maximum of ten (10) years for tax years beginning prior to 1/1/17.

Line 31 – Net Taxable Workplace Income: Subtract Line 30 from Line 27 for Columns 3-6.

NOTE: Do not complete Lines 32 and 33 if the workplace location is a non-RITA municipality.

Line 32 – Workplace Tax Rate: If any of the municipalities listed in Columns 3 through 6 **are RITA municipalities**, enter the tax rate for each **RITA municipality** on Line 32. Tax rates can be found at **ritaohio.com**. If Line 31 is zero or less, do not enter a tax rate.

Line 33 – Municipal Tax Due RITA:

- If Line 31 is a loss enter -0-, otherwise, multiply Line 31, Columns 3 through 6 by the corresponding tax rate on Line 32.
- If Line 33 is $10.00 or less, enter -0-.
- For Column 7: Total Line 33, Columns 3 through 6 and enter on Page 2, Section B, Line 11.

NOTE: If you are a resident of a RITA municipality, and your resident municipality allows credit for tax paid to other municipalities, fill out Worksheet L on Form 37, Page 4 to allocate schedule income/loss and calculate potential credit for your resident municipality.

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Schedule K Instructions:

Line 34: Complete Line 34 if you earned W-2 income in a RITA municipality from which no (or not enough) municipal income tax was withheld.

Multiply W-2 wages earned in a RITA municipality by the tax rate for that municipality. Go to **ritaohio.com** for the tax rates for RITA municipalities. **NOTE:** Do not use Line 34 if your wages were earned in your resident municipality. Enter the total tax due on Line 34 and on Page 2, Section B, Line 10.

Line 35: Complete Line 35 if you earned wages in a non-RITA municipality and you filed and paid the tax due to that municipality. Proof of payment may be required. Multiply W-2 wages earned in a non-RITA municipality by the tax rate for that municipality. Enter the tax rate of the non-RITA municipality on Line 35.

Line 36: Enter the amount from Worksheet L, Row 14, Column 7.

Line 37: Total Lines 34 through 36, and enter on Page 2, Section B, Line 4b. **NOTE:** Include Schedule K entries, Lines 34-35, in Column D of the Credit Rate Worksheet on the bottom of Page 2.

Worksheet L Instructions:

Worksheet L is designed to allocate gains and losses to compute tax due and calculate potential credit to your resident municipality. If you were a resident of a RITA municipality in 2026 and had any combination of gain and loss in more than one municipality, you must complete this Worksheet. **Do not** complete Worksheet L if you were a non-resident of a RITA municipality for all of 2026.

Start with your completed Schedule J from Form 37, Page 3. List the name of your resident municipality (Column 1) and list each location where income/loss was earned. If you have pass-through income/loss for taxing municipalities other than your RITA Resident Municipality, you must complete Schedule P before you can complete Worksheet L.

Row W – From Schedule J, Line 27, list each CURRENT YEAR WORKPLACE INCOME.

Row P – For Column 2, enter the GAIN from Schedule P, Line 5, Column 7. For Columns 3-6, enter the GAIN from Schedule P, Line 4 or LOSS from Schedule P, Line 26d.

Row T – Add Rows W and P for the Net Taxable Workplace Income (Current year Workplace Income/Loss AND Non-Resident Pass-Through Income.)

Row 1 - Enter Gains: If the "Current Year Workplace Income" on Row T is a gain, enter the amount in this row and total across to Column 7.

Row 2 - Enter Losses: If the "Current Year Workplace Income" on Row T is a loss, enter the amount in this row and total across to Column 7.

Row 3: From Schedule J, Line 28, enter the Prior Year Loss Carryforward in Column 7.

Row 4: Add Column 7, Rows 2 and 3.

Row 5: For each gain shown in Row 1, divide the gain by the total of all gains in Column 7 of Row 1, and enter the result as a percentage in the corresponding column on Row 5.

Row 6: Multiply the total loss from Row 4, Column 7 by each percentage shown in Row 5, Columns 1-6. Enter the result on Row 6 in the corresponding Column, 1-6. This amount is the apportioned loss.

Row 7: Subtract the apportioned loss in Row 6 from the gain in Row 1. **Note: If you have pass-through income in your RITA Resident Municipality in Column 1, Row 7, ENTER that amount on Worksheet R, Column 1, Row 6.**

Row 8: Enter the Net Taxable Workplace Income from Schedule J, Line 31. Do not enter amounts that are less than zero.

Row 9: Add the amount in Row P to the amount in Row 8 and enter the total on Row 9. If the amount is less than zero, enter -0-.

Row 10: Enter the lesser of Row 7 or Row 9.

Row 11: If Row 8 multiplied by the workplace tax rate is $10.00 or less, divide Row W by Row T and then multiply the result by Row 10. Otherwise, enter -0-.

Row 12: Subtract Row 11 from Row 10. If amount is less than zero, enter -0-.

Row 13: For Columns 3-6, enter tax rate for workplace municipality listed.

Row 14: Multiply Row 12 by Row 13. This is the tax due to the workplace city on non W-2 workplace income after allocation of the apportioned loss, for purposes of the resident tax credit calculation.

Row 15: If amount on Row 14 is greater than zero, enter the amount from Row 12.

Row 16: Multiply Row 15 by the Credit Rate of the resident municipality.

Row 17: Compare the amounts on Row 14 to the amounts on Row 16. Enter the lesser of these two amounts onto Row 17 and total across in Column 7. Enter the amount from Column 7 in Column E of the 2nd last row on the Credit Rate Worksheet on Page 2.

Schedule P Instructions – For RITA Residents Only:

Use Schedule P if you have pass-through income in taxing municipalities other than your RITA Resident Municipality. Attach a copy of your Federal Schedule E and any supporting schedules. Each partnership, trust and S-Corp. payment will be reconciled against the credit claimed. Credits for partnership, trust and S-Corp. payments will be calculated on an entity by entity basis not in aggregate for the municipality. To determine the apportioned partnership income to report, each reported tax paid amount should be divided by the tax rate in the municipality the income is apportioned to. If the "taxed" income is less than the total income, the non-taxed income is entered on Schedule J, Column 2, Line 26, and the income that was subject to tax is entered on Schedule P.

Line 26a: List all partnership income earned in a non-resident, taxing municipality (both RITA and non-RITA municipalities).

Line 26b: List all S-Corp. income earned in a non-resident, taxing municipality (both RITA and non-RITA municipalities).

Line 26c: List all trust income earned in a non-resident, taxing municipality (both RITA and non-RITA municipalities).

Line 26d: Add Lines 26a, b and c. For Column 7, add Line 26d across - this represents the total current year non-resident pass-through income/loss. Enter the Column 7, Line 26d total on Page 3, Schedule J, Column 7, Line 26.

Line 1: For each municipality (both RITA and non-RITA) listed in Columns 3-6, enter the applicable tax rate.

Line 2: If Line 26d is a GAIN, multiply Line 26d by Line 1 to calculate potential residence tax due on current year non-resident pass-through income.

Line 3: Enter the tax paid by your partnership/S-Corp./Trust to each municipality on the taxpayer's share of that income.

Line 4: If Line 3 is less than Line 2, divide Line 3 by Line 1 to calculate the income eligible for credit. Otherwise, enter the amount from Line 26d. Enter each Line 4 total on Worksheet L, Row P, Columns 3-6.

Line 5: Subtract Line 4 from Line 26d. Add total across to Column 7. Enter total on Worksheet L, Row P, Column 2.

Worksheet R Instructions – For RITA Residents Only:

Use Worksheet R if you are a resident of a RITA municipality and you need to calculate the tax paid by the partnership to your RITA Resident Municipality.

Row 1: Enter GAIN ONLY from Schedule J, Column 1, Line 23.

Row 2: Enter GAIN ONLY from Schedule J, Column 1, Line 24.

Row 3: Enter GAIN ONLY from Schedule J, Column 1, Line 25.

Row 4: Enter GAIN ONLY from Schedule J, Column 1, Line 26.

Row 5: Add Rows 1-4. This total is used to compute the GAIN percentage to enter in Column 2 - Divide each amount in Rows 1-4 by Row 5, Column 1 and enter each percentage in the applicable Row in Column 2.

Row 6: Enter the amount from Worksheet L, Row 7, Column 1 ONLY. This is the total gain, offset by allocated loss.

Row 7, Column 1: Multiply Row 6, Column 1 by the Gain Percentage from Row 4, Column 2.

Row 7, Columns 2-3: Enter the tax rate of your Resident Municipality and multiply this rate by Row 7, Column 1.

Row 7, Column 4: Enter the pass-through entity payments made to your RITA Resident Municipality on the taxpayer's share of the pass-through entity's income.

Row 7, Column 5: Enter the lesser of Row 7, Column 3 or Row 7, Column 4 and enter on Page 2, Line 7b.

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