

City of Orrville, Ohio
Income Tax Department
Instructions for Completing the Individual Income Tax Return
Form IR

The top portion of form IR is for general taxpayer information. If you filed a return for the previous year, this year's return may have your name and address pre-printed on the form. If not, print your name and address on the return. If you are filing a joint return, enter both yours and your spouse's social security numbers. If you were fully retired and did not receive any "earned income", check the box claiming your retirement, enter the date on which you became retired, sign and mail the return. If you were a resident of Orrville for less than the entire calendar year, your earnings are subject to tax for the portion of time you were a resident of Orrville. See "Partial Year Resident" section on the General Information sheet.

Complete the "W-2 Worksheet" section, listing all employers, gross earnings and the amounts of city taxes withheld from all earnings. (Orrville and other cities tax).

Note: The credit taken for the tax withheld and paid to another city cannot exceed 1.0% of the gross earnings for that city.

Line 1 **From column 2 of the W-2 Worksheet.** Enter the total gross compensation from all W-2 forms. Use those wages reported in box 5 or 18 (whichever is larger). The income that is taxable by the city may differ from that of the Federal and State. Be sure to attach all W-2 forms or legible copies.

Line 2 On this line, enter income from federal form 1099, business net income/loss (federal schedule C), rental property net income/loss (federal schedule E), and income from partnerships, estates, trusts, fees (federal schedule H). Attach copies of the federal schedules to support the income or loss on line 2. **Business or rental losses cannot be deducted from income on line 1, however, a business or rental loss may be used to offset another business or rental profit.**

Line 3 **2106 Expenses:** Unreimbursed employee business expenses in excess of 2% of Federal Adjusted Gross Income may be deducted. If income is allocated between cities, 2106 expenses should likewise be allocated. **Federal Form 2106 and Schedule A from the federal return must be included with the city return.**

Line 4 Add lines Add lines 1 and 2 and subtract line 3 (if applicable). This is your total taxable income. If line 2 is a loss, it cannot be used in this calculation.

Line 5 Multiply line 4 by 1.0% (.010)

Line 6 Enter Orrville tax withheld. From column 3 of the W-2 Worksheet.

Line 7 Enter any prior year carry-forward credits.

Line 8 Enter any estimated tax payments that were made in 2007.

Line 9 Enter city income taxes paid to other cities. From column 4 of the W-2 Worksheet. Cannot exceed 1.0%, even if paid at a higher rate.

Line 10 Add lines 6 through 9. These are your total credits.

Line 11 Subtract the amount on line 10 from the amount on line 5. If line 5 is greater than line 10, enter the amount due with this return.

Line 12 Returns postmarked after the filing deadline of April 15 and returns received without payment of the tax are subject to the late filing penalty of \$50.00.

Line 13 Interest charges are assessed for failure to pay the taxes when due. Interest is calculated at one-half percent (0.5%) per month or fraction thereof.

Line 14 Total tax, penalty and interest. Add lines 11, 12 and 13.

Line 15 If the amount on line 10 is more than the amount on line 5, enter the amount of the overpayment.

Line 16 Enter the amount of line 15 that you want refunded. Overpayments of less than five dollars \$5.00 will not be refunded.

Line 17 Enter the amount of line 15 that you want credited to next years tax.

NOTE: If your only source of taxable income was from W-2 wages or 1099 income, you will only need to complete page 1 of the IR return form.