

TAX FORM INSTRUCTIONS

The following lines are applicable to individuals and do not apply to Corporations, Subchapter "S" Corporations, Estates, Trusts, or Partnerships: 1, 2, 7A and 7C as well as lines 2A and 2B of the estimate.

- Generally, the back of the tax form is used only by Businesses for the allocation of incomes.

Line 1 – Wages

- List employer's name.
- List the actual work location city or township where employed for each employer. If wages were earned in more than one work location for an employer, list each location separately.
- Enter taxable wages. This **includes** both qualified and non-qualified deferred compensation. **Generally, the largest amount shown on the W-2 is taxable income.**
- Enter City of Euclid tax withheld.
- Enter other city tax withheld or paid.
- If the income earned in **each** work location outside of Euclid was taxed at a rate of 2.85% or higher, the maximum credit allowed is 2.85%. (Euclid gives 100% credit for employment city tax withheld up to 2.85%).
- No credit is allowed on income not taxed in a work location (i.e. township).
- Enter totals for Column C, D, and F.
- If additional lines are needed, attach worksheet.

Line 2 – Other Taxable Income

- List all other taxable income not reported elsewhere on this return. Types of income to be reported include lottery winnings, gambling winnings, fees, prizes, awards, gas and oil royalties, supplemental unemployment benefits, depreciation recapture, and ordinary income shown on Federal Form 4797. Also, include income reported to you on Form 1099 not reported elsewhere on the return except interest, dividend, pension, and social security income.

Note: To claim losses against lottery winnings: attach Federal 1040 and Federal Schedule A.

Line 3 – Total Income

- Add line 1C and 2.

Line 4A – Net Profit from Business or Profession

- Enter Net Income shown on Federal Schedules – Form 1120, 1120S, 1065, Schedule "C", "E" or Schedule "F". All schedules must be attached as proof of profit/loss.

Line 4B – Distributive Share of Partnership or S-Corp Income

- Partners who are residents of Euclid must enter their distributive share of partnership income. Subchapter "S" corporation shareholders must enter their distributive share of "S" Corporation income. Members of a Limited Liability Company must enter their share of income.

Line 5 – Total Taxable Income

- Add lines 3, 4A and 4B. If business shows a loss on line 4A or 4B, do not deduct from salaries and wage income.

Line 6 – Tax Due

- Multiply amount shown on line 5 by 2.85% and enter the amount on line 6.

Line 7 – Credits

- Enter line 1D total.
- Enter amount paid on Euclid Income Tax Estimates for this tax year.
- Enter line 1F total. If tax is paid directly to another city (not withheld), include the allowable credit and attach a copy of the other city return.
- Enter the credit carried over from the prior year.
- Add tax credits shown on Lines 7 A, B, C, and D.

Line 8 – Balance of Tax Due

- Subtract line 7E from line 6. If the tax has been overpaid, enter the overpayment on line 11 and check the refund and/or credit choices.
- Amounts of less than \$1.00 will not be collected or refunded.

Line 9 – Penalty and Interest

- For failure to file an annual return by the due date, a minimum penalty of \$25.00 is imposed even if no tax is due. Penalty and interest rates are 1.5% each per month.

Line 10 – Balance Due

- Add lines 8 and 9 and pay in full by due date.

**DECLARATION OF ESTIMATED TAX MUST BE COMPLETED.
SEE INSTRUCTIONS ON BACK OF THE TAX FORM.**

INCOME TAX RETURN “FAST FACTS”

FOR INDIVIDUAL RETURNS AND BUSINESS NET PROFIT RETURNS (INDIVIDUAL AND CALENDAR YEAR END BUSINESS)

E-Filing Available January 2009 • <https://tax.cityofeuclid.com>

FILING DEADLINE: APRIL 15, 2009

Due date for fiscal year end taxpayers is the fifteenth (15th) day of the fourth month after the fiscal year end.

Forms with Check Payments

Mail To:
City of Euclid
Department of Taxation
P.O. Box 73880
Cleveland, Ohio 44193-0002

All other forms including Credit Card Payments

Mail To:
City of Euclid
Department of Taxation
585 E. 222nd St.
Euclid, Ohio 44123-2099

MANDATORY FILING: WHO MUST FILE A TAX RETURN?

KEEP ONE COPY OF THE COMPLETED TAX FORMS FOR YOUR RECORDS

ALL RESIDENTS and partial year residents of the City of Euclid who are 18 years of age or older as of the end of the year must file a return regardless of whether or not there is any tax due. Partial year residents owe tax on income earned while living in the City of Euclid.

All Non-Residents of the City of Euclid who receive compensation for work done or services performed within the City of Euclid whose employer has not withheld City of Euclid income tax.

Real Estate Agents and Insurance Agents who work for a broker located within the City of Euclid. Total commissions are attributable to Euclid regardless of where property is sold or where the agent resides.

Businesses, contractors, and subcontractors who are located or doing business within the City of Euclid.

Permanently Retired Individuals need only file the Permanent Exemption form once. However, any full/partial year that you become employed, you are required to file a city tax return for wages earned.

Euclid residents who are married are encouraged to file a joint tax return.

INCOME NOT SUBJECT TO TAX: Pensions received, social security, annuities received, interest income, capital gains on investments, alimony, child support, proceeds from insurance, welfare, unemployment benefit payments paid by the State of Ohio, and Active Duty military pay.

INDIVIDUALS UNDER 18 may be eligible for a refund of Euclid income tax withheld. Attach a copy of birth certificate or driver's license as proof of age and circle number three (3) on the yellow exemption form and indicate date of birth.

EXTENSION REQUESTS: An extension request must be filed with this office by April 15, 2009 to avoid the \$25.00 late filing penalty. Any anticipated tax due **must be paid** with the extension request since an **extension of time to file does not extend the length of time to pay the tax.** Request for an extension **will be denied** if account is delinquent in any way. An Annual Declaration of tax and **payment for first quarter taxes may also be due at this time**; see Requirement for Declaration of Estimated Tax on the back page of the tax return.

For additional forms and/or assistance, please contact:

City of Euclid
Department of Taxation
585 East 222nd St
Euclid, Ohio 44123-2099
216-289-8360

Website: www.cityofeuclid.com Email: incometax@cityofeuclid.com