

ABC's Of Brecksville Income Tax

DAN ANDRÉ, *BRECKSVILLE CITY TAX ADMINISTRATOR*

- (A) THE CITY INCOME TAX RATE FOR A BRECKSVILLE RESIDENT OVER 18 YEARS OF AGE IS 2%.
- (B) THAT TAX IS COLLECTED BY THE REGIONAL INCOME TAX AGENCY, (R.I.T.A.) OWNED BY BRECKSVILLE AND 85 OTHER MUNICIPALITIES IN OHIO.
- (C) RITA IS A PUBLIC AGENCY THAT OPERATES UNDER STATE RULES AND REGULATIONS THAT MANDATE STRICT PRIVACY POLICIES FOR HANDLING TAX FORMS AND INFORMATION.
- (D) WAGES, SALARIES, COMMISSIONS, TIPS, FEES, SUB PAY, BONUSES, INCENTIVE PAYMENTS, SEVERANCE PAY, WAGE CONTINUATION PLANS, GAMBLING AND LOTTERY WINNINGS OF \$5,000.00 OR MORE AND EARLY RETIREMENT PAYMENTS ARE SUBJECT TO THE 2% TAX. DIVIDENDS, INTEREST, CAPITAL GAINS, UNEMPLOYMENT INSURANCE BENEFITS, ALIMONY, RETIREMENT AND ACTIVE MILITARY INCOME IS NOT TAXABLE. (EMPLOYEE CONTRIBUTIONS TO RETIREMENT AND INCOME DEFERRAL PLANS ARE NOT EXCLUDABLE.)
- (E) IF YOU WORK IN BRECKSVILLE, YOUR EMPLOYER IS REQUIRED TO WITHHOLD THE 2%, REMIT IT TO R.I.T.A., WHERE IT IS ACCOUNTED AND PAID TO BRECKSVILLE.
- (F) IF YOU ARE SELF EMPLOYED IN BRECKSVILLE, THE WAGES AND OR NET PROFIT DISTRIBUTION OF THAT ENTERPRISE IS TAXABLE AT THE 2% RATE. (A NET PROFIT FORM IS REQUIRED)
- (G) IF YOU WORK FOR WAGES A FINAL FORM MUST BE FILED BY APRIL 15TH AFTER THE CLOSE OF THE TAX YEAR. THIS IS REQUIRED BY CITY ORDINANCE.

WHAT IS TAX CREDIT?

- (A) BRECKSVILLE ALLOWS 100% TAX CREDIT, UP TO 2% OF TAXES PAID IN ANOTHER TAXING CITY.
- (B) THE 100% CREDIT PROTECTS A BRECKSVILLE RESIDENT TAXPAYER FROM PAYING 2% WHERE THEY WORK AND 2% WHERE THEY LIVE.
- (C) IF YOU PAY LESS THAN 2% IN A TAXING CITY OTHER THAN BRECKSVILLE, THE DIFFERENCE IS REPORTED TO R.I.T.A. AND PAYABLE ON QUARTERLY BILLINGS.
- (D) IF YOU WORK IN A TOWNSHIP OR A CITY THAT DOES NOT HAVE CITY INCOME TAXES, THEN THE FULL 2% BRECKSVILLE TAX IS DUE AND PAYABLE TO R.I.T.A.
- (E) QUARTERLY BILLINGS ARE ARRANGED ON ALL AMOUNTS OVER \$75.00.
- (F) AMOUNTS UNDER \$75.00 MAY BE PAID WITH THE ANNUAL FILING OR BILLED AFTER YOUR SHORT FORM FILING IS PROCESSED BY R.I.T.A.
- (G) YOU CLAIM YOUR TAX CREDIT BY FILING A FINAL YEARLY INDIVIDUAL R.I.T.A. TAX FORM THAT INCLUDES A CITY/STATE W-2 COPY SHOWING CITY WAGE AND TAX WITHHELD