TAX FORM PREPARATION - LINE BY LINE INSTRUCTIONS

If using a blank form, print NAME, ADDRESS and SOCIAL SECURITY # in the space provided; otherwise, verify information printed and make changes as necessary.
Provide DAY and NIGHT phone numbers
If you are a PART YEAR Resident, indicate move IN and/or move OUT date.
If you have MOVED OUT, print clearly new address including zip code and Apt. # if applicable.

Line 1 – Earned Income – W2
List each W2 on lines provided. Use the highest Medicare {Box #5) or Local Wages (Box#18) as taxable wages. Be sure to send a copy of each W2. The copy of the W2 must have all boxes completed 1-20 to receive full credit for taxes paid to your work city/cities. *** **Attach a Copy of Page 1 of your Federal 1040** ***

Line 2 – Other Income
Federal Schedule C, Schedule E, K-1,1099 Misc etc. - Complete appropriate section on Page 2 of tax form and carry total to this line. See instructions for details on reporting this type of income. A loss reported on this line CANNOT be deducted from W2 income reported above.

Line 3 – Total Taxable Income - Add "Total" Column E and Line 2
Line 4 - Adjustments to Taxable Income:
A. 2106 Business Expense – Must attach Federal 1040, Schedule A + Form 2106 for deduction
See instructions for computing allowable deduction on reverse side
B. Partial Year Resident - Deduct income earned as non-resident or under 18 years old – See instructions
Parma Heights Income CANNOT be prorated
Line 5 – Total Adjusted Taxable Income Subject to Parma Heights Income Tax

Line 6 – Parma Heights Income Tax = **3% of Line 5**

Line 7 – Credits
(a1) Taxes Withheld in other Cities (Total Column C) (Do not list School District Tax – JEDD tax allowable)
(a2) The Total of Taxes Withheld in other Cities must be **reduced** if:
- Work city tax rate is over 2% - See List of Cities with over 2% tax rate on reverse side-credit limit is 2%
- If non-taxable income was reported on Line 4 A/B – the tax paid on that income must be deducted
- Withhold taxes refunded to you by your work city must be deducted

(a3) Subtract (a2) from (a1) = Credit for taxes paid to other cities
(b) Taxes withheld in Parma Heights (Total Column D)
(c) Payments to Parma Heights – 2008 Quarterly Estimated Installments
(d) Overpayment from 2007
(e) Total of taxes paid on Line 2 Income
To receive credit, attach copy of other city tax return – credit limit 2%
(f) Total Credits – Add Lines 7 (a3), b, c, d, e

Line 8 (a) – **Tax Due** – Line 6 less Line 7 (f) – No credit/payment if $1.00 or less
(b) **Overpayment Claimed** (If Line 7(f) exceeds Line 6
(c) Enter Amount of Line 8(b) you **want Credited to your 2009 Estimated Tax**
(d) **Enter Amount to be Refunded** (Line 8(b) less Line 8(c)) No refunds less than $5.00

Line 9 – Penalties – Late Filing and/or Paying – See instructions
Line 10 – Penalty – Underpayment of Estimated Payments – See instructions
Line 11 – Interest – See instructions
Line 12 – Total Amount due for 2008 (Payable to "**City of Parma Heights**")

Line 13 – Total Estimated Income for 2009 times tax rate of 3%
Line 14 – Credits – for taxes withheld in Parma Heights and other cities
Line 15 – Total Tax Credits
Line 16 – Net Tax Due
Line 17 – Amount Due for 1st quarter (1/4 of Line 16) Payable with tax return or due date
Line 18 – Overpayment from Line 8(c)
Line 19 – Subtract Line 18 from Line 17 – **Adjusted Amount Due for 1st quarter**
Total Tax Due – Add Lines 12&17 or Lines 12 & 19
Remit this amount on or before the due date – Payable to "**City of Parma Heights**"

IF YOU HAVE W2 INCOME ONLY
YOU MAY HAVE YOUR TAX RETURN COMPLETED
BY THE TAX DEPARTMENT

Tax Forms must be mailed to the Parma Heights Tax Department before
MARCH 15, 2009

Please provide the following information:

1. If using a blank form, print NAME, ADDRESS and SOCIAL SECURITY # in the spaced provided; otherwise, verify information printed and make changes as necessary.
2. **Provide DAY and NIGHT phone numbers**
3. If you are a PART YEAR Resident, indicate move IN and/or move OUT date.
4. If you have MOVED OUT, print clearly new address including zip code and Apt. # if applicable.
5. **Attach copies of W2's with all boxes completed (Box 1 thru Box 20).**
6. For Part Year Resident, you must indicate on each W2 the months you worked at the jobs (i.e. "All Year" or April 1 – July 15). If available, also include copies of pay stubs (Pay Period ending) closest to your move in or move out date.
7. **Estimated Income for Tax Year 2009**. If residing in Parma Heights for any part of 2009, you will be required to pay quarterly estimates on that income. Complete Lines 13 through 16. If unsure of work city tax rate, indicate income and city name. The Tax Department will compute estimated tax due. Note: Your first quarter payment is due with the tax return – you will NOT receive a separate bill.
8. **Sign and Date** the Tax form and **Mail** to the Tax Department prior to **March 15th.** Note: Tax forms received after March 15th may not be completed timely and may be subject to a late paying penalty.
9. The Tax Department will send you copies of the completed tax return. **Payment is due April 15th – the Remittance Copy is your tax bill for 2008 and 1st quarter 2009.**

CITIES WITH OVER 2% WITHHOLD TAX RATES

Akron	2.25%	Maple Heights	2.50%
Bedford	2.25%	N. Randall	2.50%
Dayton	2.25%	**Parma**	**2.50%**
Euclid	2.85%	Toledo	2.25%
Highland Hills	2.50%	University Heights	2.50%

2106 BUSINESS EXPENSE - CALCULATION FORMULA
See instructions enclosed – "Unreimbursed Employee Business Expense

A. 2106 Allowable Parma Hts. Business Expense is limited to Lines 1, 2 and 3 only.
Deduct any employer reimbursement (Line 7) that relate to those lines

B. Divide above Total by Schedule A Line 24 (Total Line of this expense section) to get the percentage of the Parma Heights allowable expenses vs total expenses shown in this section

C. Multiply Schedule A Line 27 (allowable Fed. expenses after 2% adjustment) by the above percentage to arrive at your Parma Heights allowable 2106 Deduction

D. Enter this figure on Line 4A of the Parma Heights tax form
Be sure to deduct the taxes paid on this income on Line 7 (a2) of the tax form