



TAX FACTS

REGIONAL INCOME TAX AGENCY

(440) 526-0900

(800) 860-7482

CITY OF WILLOWICK

Phone: (440) 585-3700

Fax: (440) 585-3220

CITY OF WILLOWICK INCOME TAX INFORMATION

WHO MUST FILE:

- (1) All residents of Willowick, 18 years of age and over.
- (2) All non-residents of Willowick if work is performed within Willowick and earnings are not fully withheld upon.
- (3) All resident businesses of Willowick.
- (4) All non-resident businesses performing services Willowick.

RATE OF TAX:

- 2% (two percent) (Ordinance No. 85-51 approved 8/9/85)
- 87.5% credit is allowed for tax paid to other municipalities, not to exceed 87.5% of the tax due the City of Willowick before credit. (Ordinance No. 93-30 approved 9/21/93)

INCOME TAXED:

- (1) All salaries, wages, commissions and other compensation earned, received, accrued or in any other way set apart unto residents of Willowick or non-residents performing services in Willowick.
- (2) Lottery, sweepstakes, gambling and sports winnings, winnings from games of chance, and prizes and awards are taxable, with no minimum thresholds.
- (3) Net profits from rental properties located inside Willowick, regardless of residence of owner. Net profits from rental properties owned by Willowick residents, regardless of locations of property.
- (4) All other types of business activities performed within Willowick or business activities performed in any location by Willowick residents.

HOW IS TAX COLLECTED:

- (1) Resident employers withhold 2% on gross wages and remit to RITA (Regional Income Tax Agency) on either a monthly or quarterly basis.
- (2) All residents of Willowick must file an annual income tax return and remit any balance due by April 15th. You are not required to make estimated payments unless your estimated tax liability for the year (after credits and withholding, if any) is \$200 or more. If your estimated tax liability is less than \$200, you may still declare an estimate, for which RITA will send billing statements (see Form 32). Estimate due dates are: April 15, June 15, September 15 and December 15.
- (3) Resident and non-resident businesses must file and pay according to the following schedule: April 15, June 15, September 15 and December 15.

Monthly filing and payment is required if an employer has withheld with respect to a municipality more than \$2,399 in the immediately preceding calendar year, or more than \$200 in any one month in the immediately preceding calendar quarter. The due date for monthly filers is the 15th day of the month following the month withheld.

Quarterly filing and payment is required if an employer has withheld with respect to a municipality \$2,399 or less in the immediately preceding calendar year, or \$200 or less for each month in the immediately preceding calendar quarter. The due date for quarterly filers is the 15th day of the month following the end of the quarter.

WHEN IS TAX DUE:

- (1) Employers who are required to withhold Willowick income taxes from their employee’s wages must remit the tax to RITA on either a monthly or quarterly basis.
- (2) Individuals whose tax is not fully withheld and whose tax liability will be \$200 or more, must file an estimate of income on April 15th and make payments on April 15, June 15, September 15 and December 15.

PENALTIES AND INTEREST

Returns filed and/or payments, including estimated payments, received after the date due are subject to applicable penalty and/or interest charges.

WILLOWICK TAX TABLE

| <u>WORK CITY TAX RATE</u> | <u>WILLOWICK’S EFFECTIVE TAX RATE</u> | <u>TOTAL TAX RATE (COMBINED)</u> |
|-------------------------------|---|--------------------------------------|
| 0.0% | 2.0% | 2.0% |
| 1.0% | 1.125% | 2.125% |
| 1.25% | .90625% | 2.156250% |
| 1.5% | .6875% | 2.1875% |
| 1.75% | .46875% | 2.2187% |
| 2.0% | .25% | 2.25% |
| 2.25% | .25% | 2.5% |
| 2.50% | .25% | 2.75% |

A Willowick resident working in the City of Willowick pays a rate of 2% income tax to the City of Willowick.

FOR QUESTIONS OR ASSISTANCE:

R.I.T.A. PHONE: 440-526-0900
8 AM to 4:00 PM
Monday through Friday