2009 INSTRUCTIONS FOR PREPARING MUNICIPAL INCOME TAX RETURNS

SPECIAL NOTICE FOR PERSONS WHOSE ONLY SOURCE OF INCOME IS FROM WAGES AS SHOWN ON W-2 FORMS RECEIVED FROM YOUR EMPLOYER. YOU MAY ABBREVIATE THE FORM BY COMPLETING THE TWO BOXED IN AREAS AND THE ESTIMATE FOR 2009. ATTACH A COPY OF YOUR W-2 FORMS AND SIGN THE RETURN. IF YOUR EMPLOYER DID NOT PROVIDE YOU WITH ADEQUATE W-2 FORMS TO SUBMIT A COPY WITH THIS RETURN, YOU MAY SUBSTITUTE A LEGIBLE PHOTO COPY.

GENERAL INSTRUCTIONS

WHO MUST FILE: Every resident, 18 years or older, with earned income or net profit from any source whatsoever shall make and file a return. All such earnings wherever earned are considered taxable. The location of the places from which payment is made or where payment is received is immaterial. Every business entity (individual, proprietorship, partnership, corporation, S-Corporations, profession, etc.) whether a resident or non-resident who conducts a business in this municipality must file a return and pay tax on the net profit.

PERSONS UNDER EIGHTEEN (18) YEARS OF AGE are not subject to the tax. If the tax was withheld for Parma from their wages, a refund request form should be filed. Copies are available from taxation division upon request.

EARNED INCOME is defined as salaries, wages, commissions, income from gaming, wagering and lotteries, including Ohio State lottery winnings over the amount of $600.00, and other compensation and would include but not be limited to: bonuses, incentive payments, directors fees, property in lieu of cash, tips, dismissal or severance pay, and awards, tax shelter plans, vacation and sick pay, wage continuation plans, supplemental unemployment benefits, deferred compensation i.e. (401K, 403B, etc.) depreciation recapture and other compensation earned, received, or accrued.

INCOME NOT TAXABLE includes dividends, interest, military pay and allowances, insurance proceeds, pensions, annuities, alimony, social security, medicare, poor relief, unemployment insurance benefits, gifts, inheritances, scholarships, involuntary conversions, royalties and other revenue from intangible property. The income of religious, fraternal, charitable or other non-profit associations are exempt from the tax if exempt from real estate tax or exempt by enumeration in section 718.01 of the Ohio Revised Code or section 501(a) of the Internal Revenue Code. As of January 01, 2005, Distributive shares from Sub-Chapter S Corp. earned outside of Parma are no longer taxable.

JOINT RETURNS - file a joint return if both husband and wife have earnings.

FILE on or before April 15th following the close of the calendar year. If the return is for a fiscal year or any period less than a year, the return should be filed by the 15th day of the fourth month from the end of the fiscal year or other period. If April 15 falls on a Saturday or Sunday, return will be due on the next business day.

EXTENSIONS OF TIME TO FILE a copy of the automatic federal extension must be attached to the City return. An extension grants time to file the return only. **All taxes due must be paid no later than April 15**. Returns on a Federal extensions must be filed by the last day of the month following the month which the Federal extension ends.

PENALTIES AND INTEREST are imposed for failure to file a return or pay the tax due or failure to have 80% or more of tax due paid in on estimates.

EXEMPTIONS AND ITEMIZED DEDUCTIONS as available on individual federal income tax returns are not allowed. The municipal income tax is based on gross earnings.

COLUMN 1

This column is to list each work city separately. Continue across the rows to the right of each city listed. Follow the instructions for each column as listed below.

COLUMN 1A

Enter total wages as noted on W-2 form in this column.

NOTE: If your employer did not withhold on all your City taxable wages, list wages taxed by your work City separate from your wages not taxed. Cities tax gross wages before any deductions, except Section 125 plans, (deferred compensation plans and deferred retirement plans **ARE** taxed by the City in the year which you earn the income.)

COLUMN 1B

Enter the amount of taxes withheld for the City of Parma **(including any Parma residence tax withheld)** in this column.

COLUMN 1C

Enter taxes withheld for other cities where wages were earned as listed in column 1.

COLUMN 1D

To compute you must know your work city tax rate located in Chart A (2009 city tax rate schedule). Go to Chart B (tax credit reduction) In B-1, locate your work city tax rate and go to corresponding tax credit in B-2. Multiply the credit from B-2 times the amount entered in column 1A for that work city. Enter the result on the same line in column 1D. Repeat the above process for each entry in column 1A.

NOTE: Tax credit is to be computed on wages which were subject to the proper withholding by work city. If you have any questions regarding this matter, please contact the TAX Department at (440) 885-8045.

COLUMN 1E

Enter the **smaller** of Column 1C or 1D.

COLUMN TOTALS

Add entries in Column 1A, enter in column total and line 2.
Add entries in Column 1B, enter in column total and line 9B.
Add entries in Column 1E, enter in column total and line 9C.

LINE 2

IF ONLY SOURCE OF INCOME IS WAGES, ENTER TOTAL OF COLUMN 1A ON LINE 2 AND LINE 7 AND PROCEED TO LINE 8 (SKIP LINES 3 THRU 6C). If you have other income, enter total of column 1A on line 2 and complete the rest of the return.

LINE 3

Total other income as defined as all other income not reported on W-2. (See income taxed by cities)
Losses from page 2 enter in ( )

> **NOTE: Income from wagering, schemes of chance and lottery winnings are to be included on this line. Ohio State Lottery winnings are allowed a $600 deduction off gross winnings for the year.**
> Losses from other income **cannot** offset W-2 wages. Federal schedule C and E (ONLY) gains and losses that occurred in the same city can offset each other. All other losses cannot offset gains to calculate total other income. Losses can be carried forward for a period of five (5) years.

LINE 4

Total of line 2 and line 3.
(If line 3 is a loss it cannot be deducted from line 2)

LINE 5A, 5B & 5C

Used to make adjustments when line 4 includes income not taxable and/or items not deductible for city tax purposes. Schedule X is used.

LINE 6A

Is the result of line 4 plus line 5A and less line 5B.

LINE 6B

The income tax ordinance recites a formula (Schedule Y) to determine the percentage of income attributable to this city by business entities **ONLY (does not apply to Parma residents)** conducting business activity both within and outside this city. If Schedule Y is used, bring the average percentage from line 6 of Schedule Y to the percentage line of line 6B. Multiply line 6A by this percentage and enter the result on line 6B.

LINE 6C - (See BUSINESS LOSSES)

Taxpayers doing business both in and outside of this city who allocate profits via Schedule Y must also allocate losses accordingly.

LINE 7

Total income subject to city income tax.

LINE 8

Parma City income tax (multiply Line 7 times tax rate of 2.5%).
Enter results on line 8.

LINE 9 PAYMENTS AND CREDITS

NOTE: Credit for school district income taxes not allowed.

A. Enter the total of estimate payments plus prior year overpayment credits for this year.
B. Enter total of Column 1B.

2009 SCHEDULE INSTRUCTIONS

REAL ESTATE AGENTS who represent a broker whose office is located in Parma are required to file and to include all commissions earned regardless of location of property sold or residence of salesperson.

BUSINESS OR RENTAL LOSSES The net losses from self-employed business, profession or rental property **may not** be used to offset earned income such as salaries, wages, etc. A loss in one city may **never** offset the gain in another city. However, a loss in one city from a Schedule C or Schedule E may offset a Schedule C or Schedule E gain in the **same city**. Losses from a 1065, 1120 or 1120S **may not** be used against any, Schedule C, Schedule E, 1065, 1120, or 1120S no matter what city they are in.A net operating loss may be carried forward for five (5) years. The portion of the net operating loss sustained shall be allocated to the city in the same manner for allocating net profits to the city.

SCHEDULE C All business entities must attach copies or facsimiles. If you had more than one business, a separate Schedule C must be completed for each business. An individual taxpayer engaged in two or more taxable business activities in a single municipality may include them in the same return. If your business activity was conducted in more than one municipality, see Schedule Y.

Accounting methods used must be identical to that used for federal reporting.

A copy of your federal return (1040 C & F, 1065, 1120, 1120S, etc.) and schedules must be attached.

SCHEDULE G When the gross monthly rental of any and all real properties aggregates in excess of $125.00 per month, the owner is considered engaged in a business activity and the net income shall be subject to the tax. Information on this schedule must correspond to Schedule E, Part II as filed with the Internal Revenue Service, using the same method of depreciation. Loss from one city may never offset the gain in another city. Rental losses may not be used to offset wages earned.

SCHEDULE H This schedule is used to list all other taxable income not reported elsewhere on this return. Types of income to be reported here are: *partnership, estates, trusts, fees, tips, prizes, awards, commisions, supplemental unemployment benefits, property in lieu of cash, excess business expense reimbursement, refunds of local taxes to business entities if deducted in a prior year, taxable income from all other sources.

SCHEDULE X is used for the purpose of making adjustments when total income (line 4) includes income not taxable and/or items not deductable for city purposes. Enter the amounts of any such items in schedule X and carry totals (line M and line Z) respectively to lines 5(a) and 5(b).

Line a - Capital losses from the sale, exchange or other disposition of property shall not be taken into consideration in arriving at net profits earned.

Line b - If you have deducted non-taxable income (line Z), expenses attributable to this non-taxable income shall not be allowed as a deduction from the remaining taxable income. In the absence of records showing the actual expenses attributable to such non-taxable income, the minimum shall be deemed to be 5% of the non-taxable income.

Line C - Would include federal, state, local and other taxes based on income.

SPECIAL NOTE: The new Ohio Corporation Franchise Tax, if based on income is not allowed as a deduction, however, the amount based on net worth is allowable. If line 3(c) of your Ohio Corporation Franchise Tax Report (form FT-1120) exceeds line 7, we suggest the following: Enter on line H the amount of tax shown on line 3(c) of schedule A form FT-1120.

Enter on line Q the amount of tax shown on line 7 of form FT-1120. The only exception to this method would be when the minimum tax of $50.00 is paid or when the amount of line 7 of form FT-1120 is greater than line 3(c). In this instance, the tax is based on net worth and no adjustments need be made.

Line N - Capital gains from the sale, exchange or other disposition of property shall not be taken into consideration in arriving at net profits earned. However, refer to schedule D instructions.

Line Q - Would include items listed in the general instructions as: Income Not Taxable, as well as compensation or like reimbursement for damages (except for loss of profits), involuntary conversion, cancellation of indebtedness, income of a decedent's estate during the period of administration (except business income), items of income already taxed by the State of Ohio from which this municipality is specifically prohibited from taxing, income which is prohibited from taxation by the constitution of the United States and the State of Ohio or any Act of Congress or the Ohio General Assembly.

EMPLOYEE BUSINESS EXPENSE To qualify for the Employee Business Expense deduction for municipal income tax purposes, the taxpayer must also itemize his deductions for Federal Income tax purposes. Attach copies of Federal Form 1040, Schedule A and 2106. The amount of Employee Business Expense deduction allowed against Municipal income tax is limited to the amount that the tax-payer's 2106 expenses exceed 2% of the taxpayers Federal A.G.I. Tax credits from other communities shall be proportionately reduced.

SCHEDULE Y A business apportionment formula consisting of the average of property, gross receipts and wages paid, may be used by business entities not required to pay tax on entire net profits, by reason of doing business both within and without this municipality. However, if the books and records of the taxpayer shall disclose with reasonable accuracy the net profit attributable to this municipality, then only this portion shall be considered as having a taxable situs in this municipality.

SPECIAL NOTE: Sales and gross receipts in this municipality

[step 2(b)] mean:

1. All sales of tangible personal property which is shipped from this municipality to purchasers outside of this municipality regardless of where title passes if the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.

2. All sales of tangible personal property which is delivered within this municipality regardless of where title passes, even though transported from a point outside this municipality, if the taxpayer is regularly engaged through its own employees in the solicitation and the sales result from such solicitation or promotion.

3. All sales of tangible personal property which is delivered within this municipality regardless of where title passes, if shipped or delivered from a stock of goods within this municipality.

SCHEDULE Z Must be completed by all partnerships and associations filing returns. Amounts shown in this schedule must correspond with amounts reported in schedule C or schedule H. Attach a schedule if you need more space.

FOR FURTHER INFORMATION PHONE (440) 885-8045

2009 INSTRUCTIONS

C. Enter total of Column 1E.
If work city credits are claimed and later refunded, an amended Parma return must be filed reflecting the change.

D. DIRECT PAYMENT TO OTHER CITIES,
This credit applies only if the other income (WAGES WITH NO TAXES WITHHELD, business income, rental property, schedule k-1 income, etc.) is included on this return. If direct payments were made to other cities on this income, The City of Parma will allow a credit based on Chart B. To use Chart B, you must first know your other city's income tax rate found in Chart A (2009 tax rate schedule). Locate your other city's tax rate in B-1 and find the corresponding credit in B-2. Multiply the credit from B-2 times other income. Enter the **smaller** of the allowable tax credit calculation from above or the actual taxes paid.
NOTE: Attach a copy of other city tax return. Credit will not be allowed without it. Residence tax paid to other cities cannot be claimed on this return.

E. Total of line 9A through 9D.

LINE 10 TAX DUE
Line 8 less line 9E enter result on line 10 if greater than $1.00. If result is less than zero, enter nothing and see instructions for line 13.

LINE 11 PENALTY AND INTEREST

A. Penalty and interest are imposed for failure to file a return by April 15th or by the 15th day of the fourth month from the end of the fiscal period (businesses only) and no extension was granted. Penalty and interest are also imposed for failure to pay the tax due or have 80% or more of the tax due paid on an estimate in that tax year. Minimum Penalty charge is $25 for the first offense or 1-1/2% per month whichever is greater.

B. Interest charge is 1-1/2% per month.

C. Add lines 11A and 11B.

LINE 12 BALANCE DUE
Add lines 10 and 11C.

LINE 13 OVERPAYMENT
If line 10 or 12 is less than zero you are entitled to a refund (amounts over $1.00) or credit carried forward (amounts over $1.00) to the next tax year. If your overpayment is less than your first quarter estimate payment, reduce your payment for the next tax year by taking credit for it now. If you request a refund, refunds take approximately 8-12 weeks to receive a check. Please indicate your choice by placing an X in the box on line 13A if you choose to receive a refund or 13B if you choose to receive a credit.

LINE 14
NOTE: Taxpayers who anticipate a net tax due to Parma in excess of $100.00 in the current tax year are required to file a Declaration of estimated tax due by completing line 14.

A. ESTIMATE TAX LIABILITY

Note Change **As of January 01, 2007, Parma's Income Tax Rate will be 2.5%. Parma's Income Tax Credit will be 100% of 2%, but cannot exceed the Employment City's Income Tax Rate.**

This is the expected amount of income tax due the City of Parma for the next tax year. If you have City taxable income Earned/sourced in Parma on which no Parma taxes have been Withheld or paid, 2.5% will be owed on this income. For all other income earned or generated outside of Parma, see Chart C on the bottom of Page 3. **Example** — If you earned $40,000.00 in a 2% work City outside of Parma, your **Estimated Tax** balance due will be $200.00. **Example** - $40,000 x .5% = $200.00. This will be your total tax estimate for the year.

LINE 15 TOTAL DUE THE CITY OF PARMA
Add lines 12 and 14B and enter final results. Returns received without payment are subject to a $25.00 penalty or penalty of 1 1/2% per month whichever is greater plus 1 1/2% interest charge per month. Be sure to write your Parma account number on your check or money order. If balance due is less than $1.00 payment need not be made.
PLEASE SIGN YOUR NAME AND OBTAIN A SPOUSE'S SIGNATURE ON A JOINT RETURN AND DATE IT.

TAXPAYER MUST ATTACH COPIES OF ALL W-2 STATEMENTS, COPIES OF ALL APPLICABLE CITY RETURNS AND FEDERAL SCHEDULES - C, E, K-1 AND 1099, ETC. INCLUDE A SUMMARY SHEET IF NECESSARY. THIS RETURN IS NOT COMPLETE UNLESS THESE SOURCE DOCUMENTS ARE PROVIDED.

EXAMPLE OF TAX RETURN

2009 City of Parma Income Tax Return
www.cityofparma-oh.gov

Mail this return to THE CITY OF PARMA, DIVISION OF TAXATION, P.O. BOX 94734, Cleveland, OH 44101-4734, on or before April 15, 2010 or by the 15th day of the fourth month after the close of a fiscal year or period. Phone: (440) 885-8045

PARMA ACCOUNT NO.

IF YOU MOVED OR HAD ANY CHANGE IN STATUS DURING 2009, THIS BLOCK MUST BE COMPLETED.
Date moved into Parma
Previous Address
Date moved out of Parma
Present Address
If retired, give date
Other Status Change & Date

Filing Status: ☐ Individual ☒ Joint ☐ Corporation ☐ Partnership

DATE OF BIRTH, IF UNDER 18 IN 2009:

Mr. & Mrs. Taxpayer
6611 Ridge Rd
Parma, Ohio 44129

Your Social Security Number
Spouse's Social Security Number

☒ Filing for 2009 calendar year
☐ Filing for fiscal year ending

1. WAGES AND COMPENSATION (From W-2's only) — CAUTION: A copy of all W-2 Forms MUST be attached.

COLUMN 1	COLUMN 1A	COLUMN 1B	COLUMN 1C	COLUMN 1D	COLUMN 1e
LIST EACH WORK CITY	Total Wages (As shown on W-2 Form)	Withheld for Parma	Withheld for Other Cities	___ % of Col. 1A See Instructions	Lesser of Column 1C or 1D
	$	$	$	$	$
Parma	20,000.00	500.00			
Cleveland	10,000.00		200.00	200.00	200.00
North Ridgeville	10,000.00		100.00	100.00	100.00
COLUMN TOTALS	$ 40,000.00 Post (To Line 2)	$ 500.00 Post (To Line 9b)			$ 300.00 Post (To Line 9c)

OTHER INCOME

2) ENTER TOTAL OF COLUMN 1A. SEE INSTRUCTIONS BEFORE GOING TO LINE 3 . . . 2 $ 40,000.00
3) INCOME OTHER THAN WAGES FROM PAGE 2 (ATTACH FEDERAL SCHEDULES) . . . 3 $
4) TOTAL INCOME (TOTAL OF LINE 2 AND LINE 3) (DO NOT DEDUCT LOSS FROM W-2 INCOME) . . . 4 $
5) (A) ITEMS NOT DEDUCTIBLE (FROM LINE M SCHEDULE X) . . . ADD $
(B) ITEMS NOT TAXABLE (FROM LINE Z SCHEDULE X) . . . DEDUCT $
(C) ENTER EXCESS OF LINE 5A OR 5B . . . 5C $
6) (A) ADJUSTED NET INCOME (LINE 4, PLUS OR MINUS LINE 5C) IF SCHEDULE X IS USED . . . 6A $
(B) AMOUNT ALLOCABLE TO PARMA ____ % OF LINE 6A NON-RESIDENT BUSINESSES ONLY . . . 6B $
(C) LESS ALLOCABLE NET LOSS PER PREVIOUS CITY INCOME TAX RETURNS (SUBMIT SCHEDULE) . . . 6C $
7) AMOUNT SUBJECT TO CITY INCOME TAX (LINE 6A OR 6 B LESS LINE 6C) . . . 7 $ 40,000.00

8) PARMA CITY TAX, 2.5%. MULTIPLY TOTAL OF LINE 7 BY 2.5% . . . 8 $ 1,000.00
9A) ESTIMATED PAYMENTS AND PRIOR YEAR CREDIT . . . 9A $
9B) WITHHELD FOR PARMA (FROM 1B) . . . 9B $ 500.00
9C) CREDIT FOR OTHER CITIES (FROM 1E) . . . 9C $ 300.00
9D) DIRECT PAYMENTS TO OTHER CITIES (SEE INSTRUCTIONS) . . . 9D $
9E) TOTAL PAYMENTS AND CREDITS (ADD LINES 9A THROUGH 9D) . . . 9E $ 800.00
10) TAX DUE, LINE 8 LESS LINE 9E IF OVERPAID SEE INSTRUCTIONS . . . 10 $ 200.00
11) PENALTY AND INTEREST, 11A PENALTY $ ____ 11 B INTEREST $ ____ (ADD LINE 11A & 11B) . . . 11C $
12) BALANCE DUE (COMBINE LINES 10 & 11 C) . . . 12 $ 200.00
13) OVERPAYMENT (IF LINE 12 IS LESS THAN ZERO)
13A) ☐ REFUND (IF $1.00 OR MORE) $ ____ 13B ☐ CREDIT TO 2010 ESTIMATED TAX $ ____

DECLARATION OF ESTIMATED TAX FOR YEAR 2010

14) ESTIMATED TAX (SEE INSTRUCTIONS)
A. ESTIMATED TAX LIABILITY 2010 NOTE TAX RATE & CREDIT CHANGE 14A $ 200.00
B. QUARTERLY ESTIMATED TAX DUE, 1/4 OF 14 A LESS CREDIT FROM 13B . . . 14B $ 50.00
15) TOTAL DUE CITY OF PARMA (ADD LINES 12 AND 14B) MAKE CHECK PAYABLE TO: CITY OF PARMA DIV. OF TAX . . . 15 $ 250.00

I CERTIFY I HAVE EXAMINED THIS RETURN INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE AND CORRECT.

Signature of Person Preparing, if Other Than Taxpayer — Signature of Taxpayer or Agent (Required) — Date
Name and Address of Firm — Phone — Signature of Spouse if Joint Return — Date

2009 INSTRUCTIONS

PARMA CITY TAX RETURNS ARE COMPLETED FREE OF CHARGE BY THE PARMA CITY TAX DEPT.
Parma's tax form has changed from previous years and is **more complex** than previous years due to the tax credit reduction. January 1, 2007, Parma's tax rate is 2.5%. Parma's tax credit is 100% up to 2%, but cannot exceed employment city's tax rate. This means if you work outside of the City of Parma you will owe.

2009 E-FILE INSTRUCTIONS

You are able to fill out, file, and if need be pay your taxes on line. You can simply access the City website at www.cityofparma-oh.gov . Click on "City Hall" and then on "City of Parma Division of Taxation" under the Treasurer Section. At that point you will be prompted to click on the tax filing link. The user friendly system will prompt you through the steps to E-File your city taxes. Note you are limited to 8 W2's and no federal schedules, both gains or losses, and no business income can be E-Filed.You must remit your W2's to the tax department once you have E-Filed.
Attach your W2's to the E-File coupon that prints after you have completed your E-Filing.

AKRON	2.25%	HIGHLAND HILLS	2.5%	PARMA HTS	3%
ASHTABULA	1.8%	HIRAM	2%	PEPPER PIKE	1%
AURORA	2%	HUDSON	2%	PERRY	1%
AVON	1.75%	INDEPENDENCE	2%	RAVENNA (3-1-05)	2%
AVON LAKE	1.5%	KENT	2%	RICHFIELD	2%
BARBERTON	2%	KIRTLAND	2%	RICHMOND HTS	2%
BAY VILLAGE	1.5%	LAKEWOOD	1.5%	ROCKY RIVER	1.5%
BEACHWOOD	1.5%	LINNDALE	2%	SEVEN HILLS	2%
BEDFORD	2.25%	LORAIN (3-1-05)	2%	SHAKER HTS	1.75%
BEDFORD HTS	2%	LORDSTOWN	1%	SHEFFIELD LAKE	1.5%
BEREA	2%	LYNDHURST	1.5%	SHEFFIELD VILLAGE (5-31-09)	2%
BOSTON HTS	2%	MACEDONIA	2%	SOLON	2%
BRATENAHL	1.5%	MADISON	1%	SOUTH EUCLID	2%
BRECKSVILLE	2%	MANSFIELD	1.75%	STOW	2%
BROADVIEW HTS	2%	MAPLE HTS	2.5%	STREETSBORO (5-28-09)	2%
BROOKPARK	2%	MAYFIELD HTS	1%	STRONGSVILLE	2%
BROOKLYN (6-1-09)	2.5%	MAYFIELD VILLAGE	1.5%	TOLEDO	2.25%
BROOKLYN HTS	2%	MEDINA	1.25%	TWINSBURG	2%
BRUNSWICK	1.35%	MENTOR	2%	UNIVERSITY HTS	2.5%
BURTON	1%	MENTOR ON THE LAKE	2%	VALLEY VIEW	2%
CHAGRIN FALLS	1.5%	MIDDLEBURG HTS	2%	WADSWORTH	1.3%
CHARDON	2%	MORELAND HTS	1%	WALTON HILLS	2%
CLEVELAND	2%	NEWBURG HTS	2%	WARRENSVILLE HTS (7-1-09)	2.6%
CLEVELAND HTS	2%	N OLMSTED	2%	WESTLAKE	1.5%
CUYAHOGA FALLS	2%	N PERRY VILLAGE	1%	WICKLIFFE	2%
CUYAHOGA HTS	2%	N RANDALL	2.5%	WILLOUGHBY	2%
DAYTON	2.25%	N RIDGEVILLE	1%	WILLOUGHBY HILLS	1.5%
EAST CLEVELAND	2%	N ROYALTON	2%	WILLOWICK	2%
EASTLAKE	2%	NORTHFIELD	2%	WOODMERE	2%
ELYRIA	1.75%	OAKWOOD VILLAGE	2%	WOOSTER	1%
EUCLID	2.85%	OBERLIN	1.9%		
FAIRVIEW PARK (4-1-05)	2%	OLMSTED FALLS	1.5%		
GARFIELD HTS	2%	ORANGE	2%		
GLENWILLOW	2%	PAINSVILLE	2%		
HIGHLAND HTS	2%	PARMA	2.5%		

Note Change

As of January 01, 2007, Parma's Income Tax Rate is 2.5%. Parma's Income Tax Credit is 100% up to 2%, but cannot exceed the Employment City's Income Tax Rate.

SPECIAL NOTE: Sheffield Village went from 1.5% to 2% 0n 5/31/2009, Streetsboro went from 1% to 2% on 5/28/2009 The amount of credit for these cities is not a set rate and will vary. Tax customers should call our office at 440-885-8045 for specific instructions which apply to you.

CHART B - TAX CREDIT REDUCTION 2009

B-1 WORK CITY TAX RATE	NO TAX	.5%	1%	1.35%	1.5%	1.75%	2%	2.25%	2.5%	2.85%	3%
B-2 TAX CREDIT ALLOWED	0%	.5%	1%	1.35%	1.5%	1.75%	2%	2%	2%	2%	2%

*For any work city with a tax rate higher than 2% the credit is 2%. Any questions on tax rates not listed, call the Tax Department.

CHART C - CALCULATION OF ESTIMATE TAX 2010

WORK CITY TAX RATE	NO TAX	.5%	1%	1.35%	1.5%	1.75%	2%	2.25%	2.5%	2.85%	3%
% OWED TO PARMA	2.5%	2%	1.5%	1.15%	1%	.75%	.5%	.5%	.5%	.5%	.5%