

TAX AND CREDIT RATES

- The City of Parma has a 2.5% city income tax with a 100% credit of 2% for city taxes paid to another community.
- Every resident 18 years of age or older and not retired is required to file a City of Parma Annual Tax Return.
- The Tax Department oversees the swift and accurate collection of income taxes.
- The City of Parma DOES NOT tax Social Security or pensions.

IMPORTANT DATES



- **February 11, 2016** - Electronic Tax Filing classes at Parma City Hall from 1-3 and 6-8
- **April 18, 2016** - Filing deadline to file forms and pay remaining taxes owed to Parma.
- **December 15, 2016** - 90% of tax owed for year 2016 should be paid to the city.

Tax Department Extended Hours

The Tax Department is open daily, Monday through Friday, from 8:30am to 4:30pm.

The Tax Department will be open from 8:30am to 6:30pm on April 5, 7, 12, and 14 as well as tax day April 18th.

PREPARING AND FILING YOUR ANNUAL RETURN



Three ways to file your annual return:

1. Online
2. Mail your completed tax form using the enclosed envelope along with all W2s, 1099s etc.
3. File in person for FREE.
Make sure to bring all W2s, 1099s etc.
Be prepared to stand in line if you wait till the filing deadline.

ATTENTION

SOME OF THE TAX RULE CHANGES PER HOUSE BILL 5 PASSED IN DECEMBER 2014, EFFECTIVE WITH TAX RETURNS DUE FOR TAX YEARS BEGINNING JANUARY 1, 2016 AND AFTER.

Change in filing due date for employment withholding.

Withholding remittance and payment must be received no later than the 15th of the month following the reporting period.

Change in monthly and quarter withholding threshold.

Employers must remit monthly if withholding in the previous calendar year exceeded \$2,399 or if the amount required to be withheld during any month of the previous calendar quarter exceeded \$200.

Employers can remit quarterly if their withholding are under the threshold described for monthly filers.

Change in penalty and interest rates.

Late filing penalty is \$25/month per return (capped at \$150/return) regardless of liability. The penalty is one-time \$500 for casino operators and lottery sales agents.

Late payment penalty on withholding is a one-time 50% penalty of the unpaid balance at the time payment is due.

Late payment penalty on unpaid income tax and unpaid estimated income tax is a one-time 15% of the amount not timely paid.

Interest will be calculated at the July federal short-term interest rate plus 5%. For 2016 returns, paid in 2016, the monthly interest rate is:

Calendar Year	Monthly Interest Rate	Yearly Interest Rate
2016	0.42%	5.00%

2016 TREASURER'S OFFICE REPORT



City of Parma
Division of Taxation

6611 Ridge Road • Parma, OH 44129
440.885.8045

www.cityofparma-oh.gov/cityhall/taxation.aspx





Thomas Mastroianni

As your Parma Treasurer, I am dedicated to providing you with courteous and professional service, while maintaining an efficient and productive tax department. My staff and I are here to help you with your tax filing needs. You may reach our Tax Department via e-mail at taxoffice@cityofparma-oh.gov or by phone at 440-885-8045.

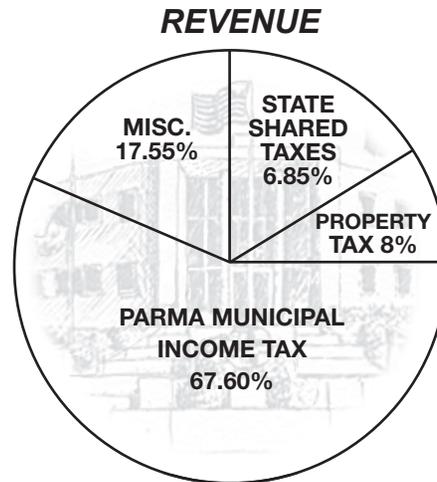
To make things easier, please remember that the Tax Department will have extended hours on Tuesdays and Thursdays, beginning April 5th and lasting until the tax filing deadline Monday April 18th. You may also file online at : www.cityofparma-oh.gov

Since we started on line e-file, it has steadily increased every year. Last year we saw over a 16% increase from the year before. Residents find it simple and greatly appreciate this technology. On February 11th we will be offering free e-file classes at city hall from 1-3 pm and from 6-8 pm.

I have also enclosed some general information regarding the city's finances. Hopefully you will find this information beneficial. We look forward to serving you.

Best Regards,
Thomas Mastroianni - Treasurer

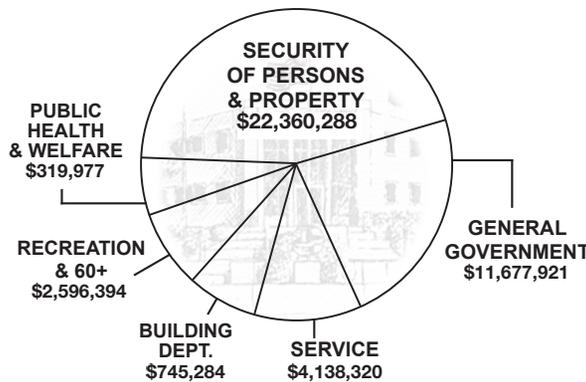
CITY GENERAL FUND REVENUES AND EXPENDITURES



The City of Parma receives a majority of its operating money from City Income Tax. Miscellaneous income includes interest earned, licenses, permits & fees.

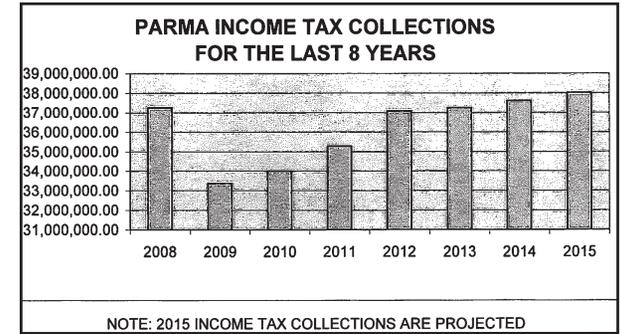
EXPENDITURES

Total Expenditures:
\$41,838,184



Safety and Service expenditures account for approximately 66.56 percent of the city's general fund expenses.

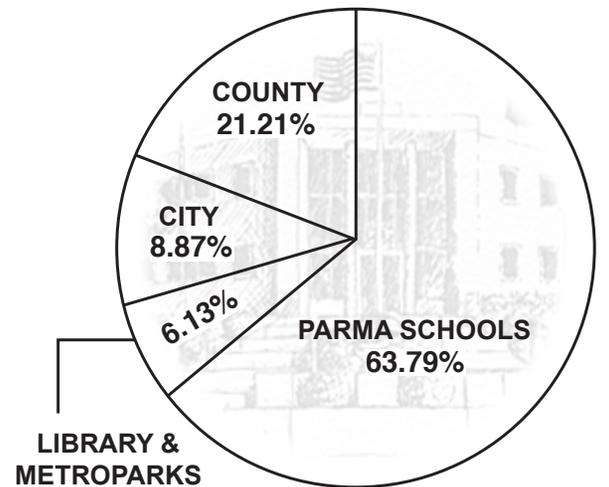
Source: City of Parma. 2014 Basic Financial Statements



PROPERTY TAX INFORMATION

The City of Parma has one of the lowest municipal portions of property tax rates in Cuyahoga County. Parma is the seventh largest city in Ohio and has the lowest budget of all major cities in Ohio.

The total residential real estate effective tax rate is 85.64 mills per \$1,000 asset valuation. Of this amount, the City of Parma tax rate is \$7.60 per \$1,000 assessed valuation. This is based off of effective tax rate.



SOURCE : STATE OF OHIO COMPOSITE REDUCTION FACTOR REPORT 2014