



# Tax Practitioner Seminar

January 27, 2017

## Business Updates

# Updated Form 27

Form <b>27</b>	Regional Income Tax Agency	RITA's eFile	Contact us toll free:
	RITA Net Profit Tax Return	Easy, Fast, Free & Secure www.ritaohio.com	Cleveland 800.860.7482 Columbus 866.721.7482 Youngstown 866.750.7482 TDD 440.526.5332 Fax 440.922.3536

FOR CALENDAR YEAR  OR FISCAL YEAR BEGINNING  AND ENDING   
The federal return with applicable schedules and 1099's **MUST** be attached to be considered a complete tax return.

Check if:  Initial RITA Return  Moved out of RITA  Extension  
 Amended Return  Out of Business   
 Consolidated Return (Attach Form 851)  Alternate Method   
 Consolidated filer with 80% ownership of a Pass-Through Entity (see Instructions)

BUSINESS:  C CORPORATION  PARTNERSHIP  LLC  SMALL EMPLOYER:   
 S CORPORATION  ESTATE  TRUST

Federal Business Activity Code #   
Business Activity

Company Name  Federal Identification Number   
Address #  Street  Suite #   
City  State  Zip Code

# HB 5 - \$10 Deminimus for Tax Due

**FORM 27**

SCHEDULE B - DISTRIBUTION OF TAX WITHIN RITA MUNICIPALITIES  
 TOTAL TAX DISTRIBUTED BELOW MUST EQUAL AMOUNT FROM PAGE 1, LINE 5

Note: For each separate municipality listed below, if Tax Due is \$10 or less, enter -0-.  
 (if more space is needed, attach additional schedule)

Municipality Name	Taxable Income / Loss	Tax Rate	Tax Due
<input type="text"/>	<input type="text"/> .00	<input type="text"/> %	<input type="text"/> .00
<input type="text"/>	<input type="text"/> .00	<input type="text"/> %	<input type="text"/> .00
<input type="text"/>	<input type="text"/> .00	<input type="text"/> %	<input type="text"/> .00

## Withholding Updates

- Due Dates – effective 2016
- Update for W-2 filing, 718.03(H):

❖ On or before the last day of February of each year, an employer shall file a withholding reconciliation return with the tax administrator listing the names, addresses, and social security numbers of all employees from whose qualifying wages tax was withheld or should have been withheld for the municipal corporation during the preceding calendar year, the amount of tax withheld, if any, from each such employee, the total amount of qualifying wages paid to such employee during the preceding calendar year, the name of every other municipal corporation for which tax was withheld or should have been withheld from such employee during the preceding calendar year, any other information required for federal income tax reporting purposes on Internal Revenue Service form W-2 or its equivalent form with respect to such employee, and other information as may be required by the tax administrator.

## Electronic W-2's – EFW2

- The update for including all municipalities for each employee, is handled in the EFW2 Specifications found on our website:

**[www.ritaohio.com](http://www.ritaohio.com)**

- ❖ Essentially, it is an additional RS record for each municipality for each employee

## Paper Filing

The screenshot shows the RITA (Regional Income Tax Agency) website. The navigation bar includes 'Home', 'About', 'Individuals', 'Businesses', 'Tax Professionals', 'Resources', 'RITA Municipalities', and 'Tax Rates'. The 'Businesses' menu is circled, and the 'W-2 Reporting Requirements' option is highlighted. The main content area displays the 'W-2 Reporting Requirements' page, which includes text about House Bill 5, reporting specifications, and instructions for electronic and paper filing. A list of links is provided at the bottom of the page.

**RITA**  
REGIONAL INCOME TAX AGENCY  
Founded in 1971

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Home | About | Individuals | **Businesses** | Tax Professionals | Resources | RITA Municipalities | Tax Rates

**Business Options**

- ▶ Online Services
- ▶ Make a Payment
- ▶ File Your Taxes
- ▶ Forms and Instructions
- ▶ Form Mailing Addresses
- ▶ Form Filing Due Dates
- ▶ **W-2 Reporting Requirements**
- ▶ Bulk Tax Filing Program
- ▶ Taxpayer Assistance

**Tax Law Updates**

- ▶ HB 5 Municipal Income Tax Changes
- ▶ HB 5 Penalty and Interest Rates
- ▶ Ohio Municipal Income Tax Laws
- ▶ Taxpayer Rights and Responsibilities

**W-2 Reporting Requirements**

Employer W-2 submission specifications have changes as a result of House Bill 5, enacted by the Ohio General Assembly. Employers are now required to report for each employee every municipality or municipalities for which tax was withheld or should have been withheld. As a result, certain fields for the electronic reporting of W-2s (EFW2) specifications have been updated. If submitting paper W-2s, each municipality required to be withheld should be remitted separately or provided on a supplemental report.

Employers issuing 250 or more Forms W-2 or 1099-Misc. during a calendar year must file electronically using the EFW2 Format and Guidelines prescribed by the Social Security Administration and Internal Revenue Service (EFW2). Employers issuing 249 or less Forms W-2 or 1099-Misc. are encouraged, but not required to remit W-2 forms electronically.

Use W-2 Reporting Specs for RITA specific field requirements for electronic reporting and information on paper W-2 reporting.

For electronic W-2 submission, you are required to validate your EFW2 file to ensure compliance with RITA's specifications and requirements. RITA provides two options to test the electronic submission of W-2s:

- Login to MyAccount to Test and Upload W-2 EFW2 file. After the verification is complete, you can electronically submit your W-2's securely through this online application.
- Download the W2 File Test Application

# W2 Reporting Specs

**REGIONAL INCOME TAX AGENCY**  
10107 Brecksville Road  
Brecksville, OH 44141-3275  
(440) 526-0900

## Electronic Media and Paper W-2 Reporting Requirements

- A reconciliation of tax withheld (Form 17) and W-2's are required to be filed on or before the last day of February following any calendar year in which employee withholding has been made by an employer. The form is designated "FORM 17 - RECONCILIATION OF INCOME TAX WITHHELD AND W-2/1099 TRANSMITTAL". Unless submitted electronically, the form must accompany all W-2 copies, computer paper listings, or electronic media.
- A 1099 transmittal sheet is required to be filed on or before the last day of February following any calendar year in which an individual receives 1099-misc., rents, other income, non-employee compensation, or excess golden parachute payments.
- For assistance call (440) 526-0900. For toll free assistance within Ohio call 1-800-860-7482. For TDD assistance call (440) 526-5332.

## Changes in the SSA Specifications

**Record Changes:** The RE Employer Record (position 174) "Kind of Employer" field descriptions have been modified. The value set remains the same.

## Paper Reporting

- **Employer W-2 submission specifications changed as the result of House Bill 5**, enacted by the Ohio General Assembly which also updated certain requirements for the paper reporting of W-2s as described below.
- Businesses issuing 249 or less W-2 wage and tax statement forms should supply W-2 Copy 1 - For State, City, or Local Tax Department for each employee in which tax is withheld or should have been withheld for a RITA municipality. For each of these employees also provide the amount and name of every other municipality for which tax was withheld or should have been withheld from such employee if applicable. These businesses have the option of completing RITA's Paper W-2 Reporting Layout to meet the W-2 submission requirements.
- Any exception in lieu of the standard accepted W-2 form or RITA's Paper W-2 Reporting Layout must receive prior permission from RITA's Business Compliance Manager before submission of such lists.

## Electronic Media Reporting

- All electronic media reporting for W-2 Copy A information must conform to the Social Security Administration's electronic media reporting and filing guidelines (EFW2).
- A copy of the SSA EFW2 guidelines can be printed from the Social Security Administration website at [www.ssa.gov/employer](http://www.ssa.gov/employer).
- **Employers with 250 or more W-2 Copy A forms must report on electronic media using EFW2 guidelines.** If a file is not submitted electronically through RITA's website, it is **required to be password protected.** Submit password separately by mail to: RITA Attn: Business Compliance Manager P.O. Box 477900 Broadview Heights, OH 44147-7900.
- Employers with 250 or more W-2 Copy A forms who wish to report on paper W-2's must receive prior permission from RITA's Business Compliance Manager.
- Employers with less than 250 W-2 Copy A forms may report on electronic media, but must use the EFW2 guidelines.
- RITA accepts the following electronic media: CD-ROM 650mb

# Supplemental W-2 Form

## REGIONAL INCOME TAX AGENCY Paper W-2 Reporting Layout Requirements

Businesses issuing 249 or less W-2s have the option of completing RITA's Paper Reporting W-2 Layout to meet the W-2 submission requirements. Complete the information below, **PRINT** and **MAIL** to: RITA Attn: Business Department, 10107 Brecksville Road, Brecksville, OH 44141.

**Note:** Employer W-2 submission specifications changed as the result of House Bill 5, enacted by the Ohio General Assembly. An employer shall file a withholding reconciliation return with RITA listing the names, addresses, and social security numbers of all employees from whose qualifying wages tax was withheld or should have been withheld for a RITA municipality, the amount of tax withheld, if any, from each such employee, the total amount of qualifying wages paid to such employee during the preceding calendar year, the name of **every other municipality for which tax was withheld or should have been withheld from such employee.**

Tax Year	Company EIN	Company Name	Company
W-3 Totals from list below:		City	State
Box 5 Wages	\$ -		Zip
Box 18 Wages	\$ -	Submitter Name	Submitter Contact Information (Phone Number or Address)
Workplace Tax Withheld	\$ -		
Residence Tax Withheld	\$ -	Submitter Signature: I have examined this report and to the best of my knowledge it is correct.	

Provide the following information for each W-2 issued. In cases where an employer withholds for an employee for more than one location, a separate row should be used:

	SSN	First Name	Last Name	Tax Authority Code for RITA Municipalities If Non RITA - enter 0	Box 5 Wages	Box 18 Wages	Workplace Tax Withheld	Residence Tax Withheld	Municipality Name (RITA or Non RITA)
1									
2									
-									