

TAX FACTS

WHO MUST FILE:

1. All residents of Alliance, 16 years of age and over.
2. All non-residents of Alliance if work is performed within Alliance, and earnings are not fully withheld upon.
3. All resident businesses of Alliance.
4. All non-resident businesses performing services within Alliance.

RATE OF TAX: 2.00% Effective July 1, 2007

The maximum credit allowed for tax paid to other municipalities will not exceed 1.75% of income earned in other municipalities.

INCOME TAXED:

1. All salaries, wages, commissions and other compensation earned, received, accrued or in any other way set apart unto residents of Alliance or non-residents performing services in Alliance.
2. Net profits from rental properties located inside Alliance, regardless of residence of owner. Net profits from rental properties owned by Alliance residents, regardless of location of property.
3. All other types of business activities performed within Alliance or business activities performed in any location by Alliance residents.

HOW IS TAX COLLECTED:

1. Resident employers withhold 2.00%, effective July 1, 2007 on gross wages and remit to the city on a quarterly basis.
2. All residents of Alliance must file an annual income tax return and remit any balance due by April 15th. A declaration of estimated tax must also be filed by April 15th of each year, or within 3 months after the beginning of the fiscal year, and must be accompanied by at least one-fourth of the estimated tax. The remaining installments are due quarterly on or before July 31, October 31, and January 31.
3. Resident businesses must file and pay according to the same as in (2). In addition, new businesses must file and pay a declaration of estimated tax due within 3 ½ months of beginning business within Alliance.
4. Non-resident businesses must withhold taxes (2.00%) from their employees gross wages earned within the City of Alliance.

WHEN IS TAX DUE:

1. Employers who are required to withhold Alliance income taxes from their employee's wages must remit the tax to our office on a quarterly basis.
2. Individuals whose tax is not fully withheld must file an estimate of income on 4/15 and pay quarterly estimated payments on 4/15, 7/31, 10/31, and 1/31 (if this tax obligations exceeds \$100); with a final return due by 4/15 of the following year.
3. Resident businesses must file an estimate of income and pay taxes quarterly; with a final return due by 4/15 of the following year for calendar year taxpayers, and a final return due within 3 ½ months after year-end for fiscal year taxpayers.
4. Non-resident businesses performing services or having assets within Alliance must file an estimate of income and pay taxes quarterly, with a final return due by 4/15 of the following year for calendar year taxpayers, and a final return due with 3 ½ months after year-end for fiscal year taxpayers.

PENALTIES AND INTEREST:

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

FOR QUESTIONS OR ASSISTANCE:

(330) 821 -9190 8:30 a.m. to 4:30 p.m. Monday— Friday

Income Tax Department, 504 E. Main St., P. O. Box 2025, Alliance, Ohio 44601 -0025