

TAX FACTS

WHAT YOU SHOULD KNOW ABOUT TAXES

THE FILING DEADLINE FOR WAVERLY IS APRIL 15TH EACH YEAR FOR INDIVIDUALS. FOR BUSINESSES OPERATING ON A FISCAL YEAR, THE FILING DEADLINE IS FOUR MONTHS AFTER THE END OF THE FISCAL YEAR.

Please mail your *completed* and *signed* tax form along with ANY W-2's, 1099's (see info on non-taxable income), Schedule C, Schedule E, or other pertinent schedules to: **Waverly Income Tax Division PO Box 427 Waverly, OH 45690**. If you do not attach documents supporting your income, we will not be able to process your return, possibly resulting in late fines.

ALL RESIDENTS OF WAVERLY OVER THE AGE OF 16 ARE REQUIRED TO FILE. This includes part-time residents, individuals (such as students) temporarily living away from home, and unemployed individuals. Failure to file a tax return and failure to pay an outstanding balance due are both violations of the Income Tax Ordinance. In addition to penalty and interest assessments, criminal charges and/or civil judgment will be obtained in order to enforce the provisions of the Income Tax Ordinance. If you are currently receiving a form of non-taxable income (see info on non-taxable income) you will not owe any tax on this income, but you must still file.

COLLEGE STUDENTS LIVING AWAY FROM HOME, BUT USING A WAVERLY ADDRESS AS THEIR PERMANENT ADDRESS MUST FILE A TAX RETURN. All college students living and working outside of Waverly still need to file a return if Waverly is considered your domicile (e.g.: you are eligible to vote in Waverly, you file a State of Ohio tax return with a Waverly address, etc.)

IF YOU HAVE FILED AN EXTENSION: Extensions are an extension of time to file, not of time to pay any tax due. Payments are due on or before the original filing deadline and payment of estimated tax due should accompany an extension request. Interest will be assessed on any balance due remaining after the original filing deadline at the rate of 8% per year or \$10.00 (whichever is greater).

IF YOU DO NOT FILE ON TIME: A late filing fee will be charged at \$25.00 for the first occurrence and \$50.00 for any subsequent occurrence. Any tax due will bear interest at the rate of 8% per year or \$10.00 (whichever is greater). *Interest will be assessed even if an extension has been filed.* You may also be summonsed to Waverly Mayor's Court for Failure to File or Failure to Pay Taxes.

FAILURE TO BE NOTIFIED OR SENT TAX FORMS DOES NOT EXCUSE NON-COMPLIANCE. Tax Forms may be obtained anytime on our website at www.cityofwaverly.net, or from the Waverly Water Office, Waverly Post Office, and The Garnet Wilson Library in Waverly during tax season.

INDIVIDUALS WHO WORK OUTSIDE WAVERLY LIMITS AND WHOSE EMPLOYERS WITHHOLD INCOME TAX ARE STILL REQUIRED TO FILE. Waverly's Tax Ordinance allows credit for tax properly withheld to another municipality up to Waverly's rate of 1%. You may not owe additional taxes, but you are still required to file. If you work in a city with a tax rate of less than 1%, you will owe Waverly the difference between the amount withheld and the amount due. Any tax withheld to another municipality over the 1% rate cannot be refunded or credited to future tax years. ***Our ordinance does not allow credit for school taxes, property taxes, county taxes, or state/federal taxes withheld by an employer or paid by an employee.***

NET LOSSES CANNOT BE USED TO OFFSET OTHER INCOME INCLUDING INCOME REPORTED ON A W-2. Net operating losses may not be used to offset other current-year income or be carried forward to any future years.

ESTIMATED TAX IS REQUIRED FOR ANY TAXPAYER WHOSE INCOME IS NOT OR WILL NOT BE WITHHELD BY AN EMPLOYER. Estimated tax is based on the previous year's income, unless you file a declaration, and is billed quarterly. The quarterly estimate payments are due April 30th, July 31st, October 31st, and January 31st. If a tax return is submitted late and estimated tax is due, the past due quarters will be collected at the time of filing.

SOME CIRCUMSTANCES ALLOW FOR AN INDIVIDUAL TO BE EXEMPT FROM FILING. If you are currently retired AND are receiving only company pension, Social Security, interest or dividend, you must supply our office with proof of income and complete an exempt form. *Without both the form AND supporting documentation, we are not able to exempt your account and you will be required to file.* If you are retired but receiving any sort of part-time wages, income from rental property, or other taxable income, you are not eligible for exempt status and must still file.

TYPES OF NON-TAXABLE INCOME INCLUDE: Social Security Income, Retirement/Pension Income, Military Income, Unemployment Income, Child Support, Interest Income, Welfare Benefits, Worker's Compensation, Life Insurance Proceeds, Alimony, Capital Gain, and Insurance Proceeds Derived From Property Damage or Personal Injury Settlements.

MY W-2 HAS DIFFERENT FIGURES IN THE FEDERAL INCOME BOX, THE LOCAL INCOME BOX, AND THE MEDICARE INCOME BOX. WHICH FIGURE SHOULD I USE WHEN COMPLETING MY LOCAL TAX RETURN?

Assuming your employer has withheld correctly, you should use the figure in the local income box. This figure should match the income in the Medicare Wages box (Box 5) of the W-2. If these figures are different, you should contact our office or your tax preparer for assistance. Because of various federal deferral programs available, taxable wages may not always be the same for federal tax purposes, Medicare tax purposes, and city tax purposes.

CAN MY SPOUSE AND I FILE SEPARATE? You may file your return together or separately regardless of how you file your state or federal tax returns. Your filing status will not affect the outcome of the tax due.

MORE TAX INFORMATION (INCLUDING DOWNLOADABLE FORMS) MAY BE FOUND ON OUR WEBSITE. Please visit WWW.CITYOFWAVERLY.NET

Free Tax Preparation for 2014 returns!!!! Community Action Committee of Pike County will once again be preparing tax returns free of charge. As soon as you receive all your W-2's and/or 1099's forms call for an appointment.

Community Action
941 Market St.
Piketon, OH 45661
740-289-2371

Again, please be advised Waverly has MANDATORY FILING and EVERYONE LIVING IN WAVERLY is required to file an annual return REGARDLESS OF TAX DUE. If you have further questions or are still not sure if you are required to file, please contact the tax office at 740-947-8177