

EXECUTIVE & FINANCE COMMITTEE MEETING

CHAIRMAN CHARLENE MANCUSO HAS CALLED AN
EXECUTIVE & FINANCE COMMITTEE MEETING FOR
WEDNESDAY, AUGUST 19, 2020 AT 6:30 PM
IN THE EUCLID MUNICIPAL CENTER COUNCIL CHAMBER
VIRTUAL MEETING

AGENDA

RITA proposal discussion

Barbara Allen
CLERK OF COUNCIL

COMMITTEE: All of Council

STAFF: Mayor Holzheimer-Gail, Law Director Sweeney, Finance Director Smith,
Tax Administrator Caplick and Tax Specialist Hayes

QUESTS: Mark Taranto, Brian Thunberg

The Euclid City Council Executive and Finance Committee meeting for August 19, 2020 at 6:30 p.m. will be held electronically. This is permissive per the Ohio legislature's passage of H.B. 197, Amendment G-0351-2.

The public shall have electronic access to such meetings. You may view the committee meeting live through the following: Spectrum channel 1020, U-Verse channel 99, and the Euclid Community Television channel on YouTube.com.

If you have any questions or comments for the Committee please email Clerk of Council Barbara Allen at ballen@cityofeuclid.com or fax (216) 289-2779 no later than the beginning of the discussions of the last item on the Agenda. Please include your name and address with your questions or comments. If name and address is not included, your questions or comments will not be read. Questions and comments are limited to five (5) minutes per E.C.O. 121.18



Euclid City Council
Executive and Finance Committee Meeting
August 19, 2020

The City of Euclid Administration has heard the Euclid voters. The Administration is investing in the Tax Department by continuing in-house customer service with the current staffing levels and a newly designed taxpayer assistance area--all of this enhanced by RITA's proprietary technology and call center applications that provides businesses and residents a multitude of options. The Euclid Tax Department and the Regional Income Tax Agency (RITA) have designed a partnership to provide the best tax service to the residents and businesses of Euclid.

What is different from the last plan?

- We went back to the drawing board - explored other ways to improve collections.
- Tax Department involved in process and this is their recommendation.
- We heard the residents - full commitment to retain Euclid local office and keep local staff.
- COVID pandemic - showed us virtual services even more important than ever.
- Partnership - not turning over full service to RITA. Euclid will handle collections and subpoena program and not pay RITA for these additional services.
- Provides the best of both - Improves technology, specialized processes, access to data, enhances security measures keeping strong local customer service.

Why partner with RITA?



- ▶ **Technologies:** While maintaining Euclid's local tax department and current staff, using RITA technologies will modernize the office and provide better customer service to our residents. **RITA municipalities have access to real-time taxpayer data, including digital images of all tax returns.**
- ▶ **Electronic Filing:** Our current tax system does not accept e-filings, as such, thousands of Euclid taxpayers and tax preparers cannot e-file tax returns. RITA's technologies allow for e-filing so that we may better serve our customers.
- ▶ **Increased Income Tax Collections:** Municipalities that join the Regional Income Tax Agency typically experience an increase in income tax collections as a result of RITA's compliance programs.
- ▶ **Regional Council of Governments:** The governing body of the member partnership along with each member municipality has one representative and one vote on all matters involving RCOG. The RCOG is managed by a 9-member Board of Trustees, each serving three year staggered terms. We will benefit from administrative costs being spread across all members; having a larger advocacy voice; and, ensuring that we engage in best practices.

Regional Council of Governments (RCOG)

- RCOG formed RITA to administer income tax laws/ordinances of member municipalities.
- The governing body of the member partnership which is currently, comprised of 337 member municipalities and JEDDs in 74 Ohio counties.
- Each member municipality has one representative and one vote on all matters involving RCOG and the RCOG is managed by a 9-member Board of Trustees, each serving three year staggered terms.
- RITA covers about 40% of Ohio municipalities that have an income tax.
- Currently, processing over \$1,400,000,000 in annual tax collections (2018).
- RITA's Headquarters office is in Brecksville, Ohio.
- **While there is one contract that all members sign, each municipality retains its right to administer and enforce its own income tax laws concurrently with the Board. This allows us to maintain a local Euclid tax office to provide the customer service that our residents demand and deserve.**

Software Partners and RITA Resources



- Professional Tax Software - MeF
 - CCH - ATX, ProSystem *fx*
 - Creative Solutions - UltraTax CS
 - Drake
 - H&R Block
 - Intuit - Intuit ProConnect Tax Online, Lacerte
 - Tax Act
 - GoSystem/OneSource
- RITAOhio.com
 - E-File
 - Fast File
 - Fill-in PDF
 - Manual forms

Partnership responsibilities

City of Euclid	RITA
Continue on site customer service to residents	Several additional RITA locations for onsite customer service
Continue to receive payments from residents on site	Residents and business can pay online (ACH no charge)
Euclid staff can electronically file and take payment using RITA's tax system	Ability to access taxpayer account information through automated phone system 24/7 (payments, credits, refund status)
Negotiate payment plans on site with taxpayers	Ability to access account information online through MyAccount
Collect on small balance accounts (less than \$250)	Ability to file and pay electronically using RITA Efile Services
Send out Final Notice on collection accounts before sending to WWR	RITA will process tax forms for Individuals, Withholding, and Net profit taxes

Partnership responsibilities continued

City of Euclid	RITA
Conduct Business Canvassing program to identify new businesses within the city	RITA will bill taxpayers for balance due, estimates and payment plans
Pursue Non-Compliant businesses in the city	RITA will send out Non-filer notices to taxpayers
Manage construction compliance programs within the city	RITA will receive electronically filed returns from ALL payroll companies, and the Ohio Business Gateway
Euclid staff will have access to ALL Euclid tax data and reports that are Euclid specific	RITA will use Federal Tax information(FTI) to identify new accounts, non-filers and under-reporters, and file litigation if necessary
Euclid staff will be able to view scanned documents that are relevant to an individual or business taxpayer	RITA will receive taxpayer electronic filed returns through MeF or Modernized Efile from our partnered software companies

Why will this help us collect more tax dollars?

- More efficient filing and collection processes
- Better data - access to FTI will identify new accounts, non-filers and under-reporters
- More staff working on our collections (local Euclid staff plus RITA staff)
- Local staff devoted to collecting delinquencies/ failure to file/ pro-active collection activities
- Local staff will have time to conduct Business Canvassing program to identify new businesses within the city and manage construction compliance programs within the city

Questions?

City of Euclid Tax Department

FAQ'S IF we partner with RITA

Q. How can I file my City of Euclid tax return?

A. You can file here at Euclid City Hall – Monday through Friday from 8:30am till 4:30pm. Use the drop box to drop off your completed return or if you prefer, if we complete your tax return for you. We will then send you a copy of the completed tax return and a balance due bill if you owe. Drop box is located on the park side entrance of Euclid Municipal Center. You can file on line with RITA's online Services at www.ritaohio.com (MyAccount/eFile and FastFile). You can file at other RITA's locations:

Brecksville Location – 10107 Brecksville Rd, Brecksville Ohio

Cleveland Heights – 40 Severance Circle, Cleveland Hts, Ohio

Mentor Location – 8500 Civic Ctr. Blvd. Mentor, Ohio

Worthington – 760 Lakeview Plaza Blvd #400, Worthington, Ohio

Youngstown – 2761 Salt Springs Rd, Youngstown, Ohio

Q. How can I make a payment on my tax account balance?

A. Here at Euclid City Hall – Monday through Friday from 8:30am till 4:30pm. At all RITA locations throughout the State of Ohio. Acceptable payment types: cash, check, money order, debit card, and credit card. You can also make payment over the phone by calling 216-289-8360 during business hours with your debit or credit card with no fee. Put payment in drop-box located park side entrance of Euclid Municipal Center. RITA offers the following payment options: Pay by Phone 24/7 call 1-800-860-7482, Checking or Savings Account, Credit Card. Pay Online Login to MyAccount. A service fee of 2.75% will be added to payments made by credit card. Payments made by check or via ACH will not incur this service charge.

Q. Does your office handle property taxes?

A. No. The Cuyahoga County property tax office is located in the Administration Building in downtown Cleveland. Their address is 2079 East Ninth Street Cleveland, Ohio 44115. Their phone number is 216-443-7010.

Q. I received a notice from either City of Euclid Tax Dept or RITA and I need help what can I do?

A. Still come to Tax Dept. here at Euclid City Hall. We're still here to help you file your missing tax year(s) and put you on a payment agreement if needed. You may also contact a RITA representative as well. With the updated technology we have the ability to go over your account with you regarding any notice that you may have received as well. Additionally, you may go to any RITA location throughout the State of Ohio and have the ability to use RITA online services at www.ritaohio.com. You are able to file any past year(s) through their eFile program.

Q. **Will I still be getting a quarterly estimate bill and/or my income has changed how can I amend my estimate?**

A. Yes, the bill will come from RITA. You can pay as indicated on the bill or you can come into the Tax Dept. and make payment or call us over the phone to pay by credit/debit card at 216-289-8360 with no fee. You may use RITA online services at www.ritaohio.com login to My/Account to make payment or amend estimate. As always you can contact a RITA representative.

Q. **Who do I call/contact if I receive a notice from the law firm Weltman, Weinberg & Reis?**

A. You need to contact us here at the City of Euclid Tax Dept. we can explain to you what year(s) and what information we need from you. And be able to answer any other questions that you may have.