

The TRADITIONAL INCOME tax which is used by Northwestern and other county schools is summarized has:

Income that **IS** taxed:

- Wages
- Salaries
- Tips
- Interest
- Dividends
- Unemployment compensation
- Self-employment
- Taxable scholarships and fellowships
- Pensions
- Annuities
- IRA distributions
- Capital gains
- State and local bond interest (except that paid by Ohio governments)
- Federal bond interest exempt from federal tax but subject to state tax
- Alimony received
- All other sources

Income that is **NOT** taxed:

- Social security benefits
- Disability and survivors benefits
- Railroad retirement benefits
- Welfare benefits
- Child support
- Property received as a gift, bequest or inheritance
- Workers' compensation benefits

The EARNED INCOME tax which Triway is trying to pass is summarized has:

Income that **IS** taxed:

- Only earned income
- Self-employment income (including income from partnerships which is subject to self employment tax) of the residents of the school district.

Income that is **NOT** taxed:

- Retirement income(social security, IRA distributions, pensions)
- Unemployment compensation
- Worker's compensation
- Lottery winnings
- Interest
- Dividends
- Capital gains
- Profit from rental activities
- Royalties
- Distributive shares of profit from S corporations
- Alimony received
- Distributions from trusts and estates