

GENERAL INSTRUCTIONS FOR TROY TOWNSHIP JEDD INCOME TAX RETURNS - Generic

1. WHO IS REQUIRED TO FILE

This return is to be used by individuals, partnerships, corporations, or any other entity.

2. WHEN AND WHERE TO FILE RETURN

The return is to be filed on or before April 15, if you are on a calendar year basis. If you are on a fiscal year basis it is due three months and fifteen days after the end of the fiscal year.

The return is to be mailed to: City of Toledo, Division of Taxation, Attn: Troy Township JEDD, One Government Center, Suite 2070, Toledo, OH 43604-2280.

Payments should be made payable to the Commissioner of Taxation.

3. EXTENSION OF TIME FOR FILING RETURNS

Taxpayers granted extensions of time for filing their federal income tax returns have automatic extensions of time for filing their Troy Township JEDD Income Tax Returns. A copy of the approved federal extension must be submitted with the Toledo return. Interest at the rate of 1/2% per month or portion thereof will be charged from the original date of the return until date of actual payment. Penalty will also be assessed from original due date if payments in full of all taxes due is not received by extended date.

4. FILING STATUS

All individuals must file separately. There is no provision for joint filing in the Troy Township JEDD Tax Ordinance. If you file jointly with IRS, you must separate your individual incomes for purposes of filing with the Troy Township JEDD. If either spouse's income is solely from wages and is fully withheld upon by the employer, there is no need for that spouse to file.

5. INCOME SUBJECT TO THE TAX

A. Salaries, wages, and other personal service compensation earned by Troy Township JEDD residents anywhere and earned by nonresidents of Toledo for work done or services performed in the Troy Township JEDD.

B. Net profits of unincorporated businesses either located in Troy Township JEDD or located anywhere if owned by a Troy Township JEDD resident.

C. Net profits of incorporated businesses for business activity conducted inside the Troy Township JEDD whether or not an office or place of business is maintained in the Troy Township JEDD.

D. Deferred Compensation, (ie., 401K)

6. WHAT CONSTITUTES NET PROFIT

Net profit of any business entity is the same as reported to IRS with adjustments for Troy Township JEDD for the requirements of the Ordinance and Regulations and rulings of the Commissioner.

7. THE FOLLOWING ARE NOT DEDUCTIBLE IN DETERMINING NET PROFITS FOR TROY TOWNSHIP JEDD INCOME TAX PURPOSES

(A) Municipal, Federal or State Income Taxes.

(B) Gift, Estate or Inheritance Tax.

(C) Taxes for local benefits or improvements to property which tend to increase its value.

(D) Taxes on property producing income not taxable by the Municipal Income Tax Ordinance.

(E) The Federal Investment Credit.

(F) Loss on the sale, exchange or other disposition of depreciable property used in the taxpayer's business.

8. LOSSES

(A) Taxpayers with multiple sources of income must aggregate all profits and losses subject to the tax from sources of income other than their principal source of income. If the result of such aggregation is a net profit, tax will be imposed and paid on that net profit. If the result of such aggregation is a net loss, the net loss may be carried forward to any of the succeeding five years to be used against an aggregate net profit.

(B) A taxpayer with a single source of income subject to the tax who or which incurs a net operation loss may carry the loss forward for up to (5) years.

9. INCOME NOT TAXABLE

The following are not subject to the Troy Township JEDD Tax: unemployment compensation, strike pay, IRS Qualified retirement plans or annuities received as a result of retirement, workmen's compensation, interest and dividends from intangible property, active duty military pay, life insurance proceeds.

SPECIFIC INSTRUCTIONS

A. If the return is made for a period other than a calendar year, insert the beginning and ending date of the accounting period.

B. Print name and address, social security number or EID number, and Troy Township JEDD Tax Account Number if known.

C. Enter your occupation and check whether or not you are a Troy Township JEDD resident.

Line 1. List wages and salaries, attach W-2's. IF YOU HAVE NO OTHER TAXABLE INCOME OR ADJUSTMENTS TO YOUR WAGES, SKIP TO LINE 12, AND COMPUTE YOUR TAX LIABILITY.

Line 2. Enter income from self-employment. If partnership income is included on this line, please complete Section C on Page 2 and attach K-1 forms.

Line 3. Enter income from rents and leases. To be subject to tax, the gross rent from all properties subject to Troy Township JEDD tax must exceed \$250 per month.

Line 4. Partnership Income. If an information return only is filed, please complete Section D on Page 2, or attach copies of all K-1 Forms.

Line 5. All corporate entities report income on this line. Sub "S" corporations are treated the same as regular corporations for Toledo tax.

Line 6. Report any other income subject to Troy Township JEDD tax not included on Lines 1 through 5 on this line. Attach 1099's or substitute form in support.

Line 7 & 8. Bring forward from Page 2, if applicable, Lines 27 or 32.

Line 9. Total lines 1 through 8.

Line 10. If allocation formula is used enter the percentage of allocation and multiply it times Line 9.

Line 11. Enter loss carried forward from prior years to be used against current year's profit.

Line 12. Total lines 9 + 11 or 10 + 11 as applicable.

Line 13. Multiply Toledo tax rate of 2.25% times Line 12 to arrive at preliminary tax liability.

Line 14. If city tax from any city was withheld from your wages or paid by a partnership on your behalf, enter the amount here.

Line 15a. If you paid tax directly to another city on income included in this return, enter the amount paid here and indicate the city to which the tax was paid. **Attach a copy of the return filed with the other city.**

Line 15b. Use this line to record Council approved Toledo Municipal Jobs Tax Credit only.

Line 16. Line 13 - (14+15+15B).

Line 17. Enter amounts you paid on your quarterly estimates or amounts carried forward from your prior year's return.

Line 19. If the total of Line 14, 15a, 15b and 17 do not equal 80% of your current year tax liability or 100% of your previous year tax liability (Provided your previous year liability was not zero) you are subject to an assessment for underpayment. The assessment is computed on Form Tol 2210 which you can obtain from our office by calling 245-1662 or you may leave this line blank and we will compute the assessment for you.

Line 20. The penalty and interest for late payment is: PENALTY = 5% per month for the first five months and 1-1/2% per month for each month thereafter or fraction thereof. INTEREST = 1/2% per month or fraction thereof for all months.

Line 21. Total Amount Due is computed on this line. Make payments payable to the Commissioner of Taxation.

Line 22. If your tax is overpaid you may choose between a refund or having the overpayment credited to your next year estimate.

Line 23. Add payments to partners if taken as a deduction.

Line 24. Add back all income taxes as a deduction.

Line 25. If you deducted income not subject to the Troy Township JEDD tax on Line 32 you must add back at least 5% of that income and compensate for expenses attributable to its production.

Line 26. Include any other additions to income and describe.

Line 27. Total Lines 23 thru 26. Transfer to Page 1, Line 7.

Line 29. You may deduct all unreimbursed employee business expenses as permitted by IRS on Form 2106 provided that you are able to itemize deductions on your federal return. You must attach copies of your Form 2106 and Schedule "A" as filed with IRS. You MUST reduce your 2106 deduction by 2% of the federal adjusted gross income, as filed with the IRS.

Line 30. If you have income reported on Page 1, Lines 1 through 4 which was earned while outside the JEDD as a Non-resident of the JEDD, you may include it here. You MUST show dates moved in or out of Troy Township JEDD in the applicable Box on Page 1. If you did not reside in Troy Township JEDD at all during the year, complete form NRR, Non-Resident Refund.

Line 31. Other deductions. Explain and attach substantiation.

Line 32. Total Lines 28 thru 31. Transfer to Page 1, Line 8.

Line 33. If you are a partner in a partnership, complete this section and transfer totals to Page 1, Line 2.

Line 34. If the partnership files an information only return with the Troy Township JEDD, complete this Section.

Line 35. The business allocation formula is contained in the Tax Ordinance at Section 1905.03 B or in the Ohio Revised Code at Section 718.02.

TAXPAYER ASSISTANCE is available by calling 419-245-1662, or by writing to Division of Taxation, Attention: Troy Township JEDD, One Government Ctr. Ste 2070, Toledo, Ohio 43604-2280, or by visiting our offices between 7:30 A.M. and 4:45 P.M. weekdays.

FORMS ONLY

Additional forms are available by writing or visiting the Division of Taxation at the above address, by calling 419-245-1662, by telefax at 419-936-2320, or by visiting our web site at <http://www.toledo.oh.gov>. Select the **Services** tab at the Top and click **Finance**.