

2016 TOLEDO RESIDENT INDIVIDUAL TAX RETURN FORM INSTRUCTIONS

FOR USE BY TOLEDO RESIDENTS ONLY

DUE DATE: APRIL 18, 2017

(PLEASE PRINT USING BLACK INK OR USE THE FILLABLE FORM.)

NOTE THAT FOR TAX YEAR 2016, TOLEDO WILL ACCEPT A JOINTLY FILED TOLEDO RETURN. IF THIS IS AN AMENDED RETURN PLEASE CHECK THE BOX ON THE UPPER RIGHT OF PAGE 1 AND INCLUDE A COPY OF ORIGINALLY FILED RETURN WITH YOUR AMENDED FILING.

INSTRUCTIONS FOR COMPLETING THE RETURN:

Enter your Toledo account number – if known.

Fill in your First Name and Middle Initial, Last Name and your Social Security Number.

If a joint return—Enter Spouse's Account number (if they have one) their First name and Initial, Social Security Number and Last Name (if different).

Enter your Home Address Number and Street, city, State and Zip Code and Also that of your Spouse's if their address (number street, city, state and zip) if it is different.

Enter your phone number and an email address that would assist us in reaching you should any questions arise during daytime hours (There is a box to check if we may leave a detailed message).

Answer the question regarding residency during the tax year. List dates moved in or out of Toledo. If your account should be closed, mark the box if necessary and give us the reason (for example, no longer working) and answer the same for your spouse if a joint return is filed.

Please give us your occupation or the nature of your business and list the trade name of your business.

FILING STATUS

Please check applicable box for Single Individual, Married Filing Joint, or Married Filing Separate.

If Married Filing Separate enter the Spouse's name, social security number and the Spouse's Toledo Account number.

PART A SECTION 1 INFORMATION FROM W-2'S

For each W-2 received list whether it is the taxpayer or the spouse (T or S) and the name of the employer, the city where employed, the amount of Toledo Tax withheld, the amount of any other city's tax withheld and the gross wages in column A through column E and enter total for each column below each one. Gross wages should be the wage figure in Box 5 of your W-2. For some government and railroad workers it may be the amount in box 18 or you may need to add to the wage in box 1 any deferred income. (*An **Additional Compensation of Wages** worksheet is available on our website for more W-2's*).

PART A SECTION 2 - FORM 2106 BUSINESS EXPENSE ADJUSTMENT

Unreimbursed employee business expenses – Schedule Form 2106 (Please note if neither you nor your spouse on a jointly filed return have filed a Federal Form 2106 or Form 2106-EZ return with the IRS you do not need to use Section 2 and should continue onto Part B.

You will need to include a copy of your Federal Form 2106 (for each spouse claiming expenses) and a copy of your Federal Schedule A.

Line 1 - If you had tax withheld for another city on the income for which you are claiming unreimbursed employee business expenses, go to Line 5b and do not use Line 2-5a. If you only had Toledo tax withheld on the income for which you are claiming deductions, go to Line 2.

Line 2 - Enter total wages for the job for which you are claiming unreimbursed business expenses.

Line 3 - Enter the total of the business expenses from Federal Form 2106 Line 10 or from Federal Form 2106 EZ Line 6.

Line 4 - Enter 2% of Federal Adjusted gross as shown on Schedule A of your Federal Form 1040 line 26.

Line 5a - Subtract line 4 from Line 3, if zero or less, enter zero here; otherwise enter the result here and on Line 12 of Part C.

Line 5b - This line is only for use by Toledo residents who had Form 2106 expenses and tax withheld for cities other than Toledo on that income—These situations require the use of the **Form 2106 Worksheet for Toledo Residents** (see website) to adjust the amount of credit allowable for the tax withheld to other cities when claiming Form 2106 expenses. The amount from that worksheet Column H Line 20 should be listed here on Line 5b and that same figure should also be listed on Line 27b.

PART B INCOME OTHER THAN WAGE COMPENSATION

Line 6 - Enter income from Federal Schedule C (if you issued 1099's for labor please attach).

Line 7 - Enter income from rents and/or leases (Federal Schedule E).

Line 8 - Enter Income from Federal Schedule E (Partnership Income from K-1 Toledo residents only).

Line 8a - Enter amount of Toledo Tax paid on your behalf by the partnership on income shown on line 8.

Line 9 - Enter income from farming (Schedule F).

Line 10 - Miscellaneous Income (attach any 1099's or W-2G's you received or explain source).

Line 10a - Enter amount if any of Toledo withholding tax shown on W-2G.

PART C TAX CALCULATION

Line 11 - Enter total wages from Part A Section 1 Column E.

Line 12 - Enter total Form 2106 unreimbursed employee business expenses from Part A Section 2 (Line 5a).

Line 13 - Subtract line 12 from Line 11.

Line 14 - Multiply the amount on Line 13 by 2.25% (.0225) This is your tax on wage compensation only.

Line 15 - Combine figures both positive and negative from line 6-10 above and enter here. If this number is a loss (negative), enter on Line 15a and enter zero on Line 18 and go to Line 19. If this number is a gain (positive) go to Line 16.

Line 16 - Enter total allowable NOL from prior years (there is a five year limit—losses that can be used on the 2016 return are 2015, 2014, 2013, 2012 and 2011, provided they were not used previously. Please note that changes to Ohio Revised Code 718 due to House Bill 5 changes will affect the amount of losses that can be used after tax year 2016. Toledo allows 100% of the Toledo loss for 2016 and prior years.

Line 17 - Subtract Line 16 from Line 15 if zero or less enter zero and go to Line 18. If greater than zero enter amount here and continue to line 18.

Line 18 - If Line 17 is greater than zero multiply Line 17 by 2.25% (.0225).

Line 19 - Enter amount from Line 8a tax paid by partnership for Toledo residents (income must have been included on Line 8).

Line 20 - Subtract line 19 from Line 18.

Line 21 - Enter amount from Line 14 (tax on wage compensation).

Line 22 - Add Lines 20 and 21. This is your total tax liability before credits.

Line 23 - Enter amount of tax paid to another City (not shown in Part A Section 1. This would be tax paid directly to another city. *(A copy of the return you filed with that city is required in order to receive credit).*

Line 24 - Subtract Line 23 from Line 22.

PART D FINAL TAX BALANCE COMPUTATION

Line 25a - Enter Total Toledo tax withheld from the total line of Part A Section 1 Column C.

Line 25b - Enter Total tax withheld from form W2-G.

Line 25c - Add Line 25a and Line 25b.

Line 26 - Subtract Line 25c from Line 24 of Part C.

Line 27a - Enter total other city tax withheld from Total Line Part A of Section 1 Column D for each spouse. **(See exceptions in Toledo Municipal Code 1905.15 for credit to other cities.)**

Line 27b - Enter Amount from Part A Section 2 Line 5b (Form 2106 Worksheet Toledo Resident from website, if required, for each spouse as necessary).

Line 27c - If you have no entry on Line 27b for either spouse enter the amount from Line 27a on Line 27c totaling both the taxpayer and spouse amount together. If you do have an entry on Line 27b for either spouse, use the lower of Line 27a or 27b before adding both spouse's figures together, then enter that amount on line 27c.

Line 28 - Subtract line 27c from line 26.

Line 29 - Enter the total estimate payment for the year on 29a and on line 29b enter the overpayment from the prior year and total both line 29a and 29b on line 29c.

Line 30 - Subtract line 29c from line 28.

Line 30a - If Line 30 is positive, this is a balance due. Enter it on Line 31 (do not remit amounts under \$10 as no billing or collection will occur).

Line 30b - If line 30 is negative, you have an overpayment. Enter it on Line 34 (amounts of less than \$10 will be neither refunded nor credited to the next year). *****Please note that in both cases if the amount is under \$10 the return is still required to be filed to avoid penalty for late filing.**

Line 31 - Enter the positive amount from Line 30.

Line 32 - Enter the amount of penalty, the amount of interest, and the late filing fee in the spaces provided and enter the total of all three on Line 32.

ESTIMATE PAYMENTS ARE REQUIRED if you owe more than \$200 after credit for tax withheld. If 90% of the tax liability due for the current tax year or 100% of the tax liability for the preceding tax year is not paid in estimate form by December 15th of the tax year, you are subject to penalties and interest even if the tax is paid in full by the due date. Note that the 100% of the preceding tax year must have been for a full 12 month period and that the tax return was remitted, filed, with our office).

Penalty: Estimates and Late filed returns: The penalty is 15% of the amount not timely paid.

Interest: at .05% per annum for 2016 and .06% per annum for 2017 will be assessed on each month that the payment was unpaid. Monthly rate for 2016 is .4167% and for 2017 is .5%. Future interest rates may vary annually.

Late filing fee: Failure to timely file a return by the due date (except for estimate payments) will incur a \$25 per month fee up to \$150 for a return filed 6 months late.

Line 33 - Add Line 31 and the total from Line 32. This is your total Balance Due which must be remitted to the **Commissioner of Taxation** with this return when filing. Should you not be able to pay in full, please remit what you can at this time, and file this return timely to avoid a late filing penalty. For Payment by credit card see the link on our website. Note that if you remit payment via the internet you still must file the paper return with supporting schedules.

Line 34. Enter the amount of the overpayment from Line 30b that you want to be credited to next year's estimate tax, and if you want any part of that overpayment refunded to you; enter that amount in the space for refund. Check the appropriate box or boxes on Page 1 of the return in the upper right hand corner to indicate if you are requesting a credit carry forward and/or a refund. This will help channel your request to the proper area in our office for processing.

SIGNATURES:

Both you and your spouse (if a joint return) need to sign and date the return. The return is not considered filed unless it is signed and remitted to the tax department.

Your paid preparer needs to sign in the appropriate space and give their Name, Address, PTIN and phone number.

You should check the box that will allow us to speak with your preparer, if you agree.

REMEMBER TO ATTACH COPIES OF YOUR W2'S TO THE FRONT OF THE RETURN IN THE AREA MARKED ALONG THE LEFT-HAND SIDE. ATTACH PAGE 1 AND ALL SUPPORTING SCHEDULES FROM YOUR FEDERAL RETURN TO THE BACK OF THIS FORM. FOR ANY INCOME LISTED IN PART B, ATTACH THE SCHEDULE AND ALSO FORM 2106 OR FORM 2106-EZ AND SCHEDULE A IF CLAIMING EMPLOYEE BUSINESS EXPENSES.

MAKE SURE YOUR PAYMENT IS MADE OUT TO COMMISISONER OF TAXATION AND ACCOMPANIES THIS RETURN. DO NOT STAPLE THE CHECK TO THE RETURN.