

2017 TOLEDO NON-RESIDENT INDIVIDUAL TAX RETURN FORM INSTRUCTIONS

DUE DATE: APRIL 17, 2018

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

PLEASE NOTE THAT OUR NON-RESIDENT REFUND FORM THAT WAS USED FOR TAX YEARS 2015 AND PRIOR IS NOW INCORPORATED INTO THE NON-RESIDENT INDIVIDUAL RETURN. IT WILL BE NECESSARY FOR USERS OF OUR PRIOR NON-RESIDENT REFUND FORM TO COMPLETE THE NRR WAGE COMPUTATION SECTION (PAGE 3) OF THIS FORM PROVIDED ON THE WEB PAGE. WHEN USING THE NRR WAGE ADJUSTMENT SECTION, MAKE SURE TO INCLUDE THE EMPLOYER'S CERTIFICATION (PAGE 4) WHEN FILING THE FULL FORM WITH THIS OFFICE.

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 either Single Individual, Married Filing Joint or Married Filing Separate

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

PART A SECTION 1 - INFORMATION FROM W2'S

For each W2 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 for the time frame you worked within Toledo and the gross wages in column A through column E and enter each column total. *(An **Additional Compensation of Wages** worksheet is available on our website for more W-2's).*

PART A SECTION 2 - WAGE ADJUSTMENT FOR NRR (only use this section if part of your wages were earned outside of Toledo as a non-resident and you had Toledo tax withheld on that income). If you do not have a NRR wage adjustment continue to Section 2 Form 2106 or if you do not have a Form 2106 adjustment go to Part B. **ONLY USE IF PART D "NRR" IS USED.**

(For joint returns, each spouse will need to complete this section separately and enter their answers under Taxpayer or Spouse as applicable. Note, too, that joint filers will need to complete Part D NRR Wage Computation separately for each spouse if applicable.)

If you as a non-resident had wages earned outside of Toledo that had Toledo tax withheld, please mark the Box provided and complete Part D and the Employer Certification and attach to this return.

Line 1 – Enter the amount from Part D NRR wage computation Line 3 – each spouse should be listed separately.

Line 2 – Subtract Line Number 1 from Part A Section 1 Column E (above) and enter here. *If Line 2 is zero, you cannot deduct any Form 2106 Expenses. Do not complete the rest of Section 2 Form 2106. If Line 2 is not zero, enter the amount*

on Line 2 on Line 7 below or if not using Form 2106 enter on line 18 and go to Part B. If only one spouse had an NRR adjustment, enter zero on Line 1 for that spouse and continue as if they had an NRR adjustment.

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. This section does not require employer certification.

Line 1 - Enter total **Toledo** wages for the job for which you are claiming unreimbursed business expenses.

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

Line 2a - Divide line 1 by line 2 which is the percent of total wages earned in Toledo.

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

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

Line 5 - Subtract line 4 from line 3 if zero or less enter zero here; otherwise enter result here and go to Line 6.

Line 6 - Multiply line 5 by percentage shown on line 2a. Note, this is your total allowable business expenses (if this line is zero, you have no allowable business expense).

Line 7 - Enter amount from Part A Section 2 line 1 –Non-resident Wage Adjustment---If you did not use that section, enter 0 on this line.

Line 8 – Add line 6 and line 7; enter this amount on line 8.

Line 8a - If this is a joint return, combine the total of taxpayer and spouse from line 8 and enter it here.

Line 9 - Subtract line 8a from Total Part A Section 1 Column E. This is your total Toledo taxable wage income – Enter on Line 18 below.

PART B INCOME OTHER THAN WAGE COMPENSATION

If you do not have any non-wage income for example self-employment, rental income, gambling income, you do not need to complete this section and should continue to line 17 and enter zero on that line. This section is for persons with Schedule C, Schedule E (rental), Schedule F (farm income), Misc Income, W2G income.

If only part of your income from any schedule is earned in Toledo you will need to use Schedule Y Business allocation for each section as applicable. If separate accounting is used please provide information as to computation. Please note that for rental properties income from only those properties in Toledo need to be included on this return of Non-Resident Individual taxpayers.

Line 10a - Enter income from Schedule C.

Line 10b - Enter percentage from Schedule Y if used otherwise use 100%

Line 10c - Multiply line 10a by 10b.

Line 11 - Enter income rents or leases (Toledo properties only) Attach Federal Schedule E.

Line 12a - Enter income from Federal Schedule E other than rental or partnership income (Note that for a non-resident, who is a partner in a Toledo partnership, the Toledo tax is required to be paid at the entity level and there is no pass through income/loss to the individual non-resident partners).

Line 12b - Enter allocation percentage from Schedule Y (if used).

Line 12c - Multiply 12a by 12b.

Line 13 - Enter Farming income (Attach Schedule F—include only Toledo income).

Line 14 - Enter Misc. Income (Toledo Income only and attach the 1099's you received or your W-2G's).

Line 14a - Enter the amount of Withholding from W2-G's here and on Line 21b.

Line 15 - Add line 10c, 11, 12c, 13 and 14.

Line 15a - If line 15 is a gain go to line 16, If line 15 is a loss, enter the amount here (this is your Net Operating Loss (NOL) carryover for future years) and continue 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 2017 are 2016, 2015, 2014, 2013 and 2012. Please note that changes to ORC 718 due to HB 5 have changed how losses will be handled after 2017. Toledo allows 100% of the Toledo allocated loss for 2017 and prior years*).

Line 17 - Subtract line 16 from line 15. If less than zero enter zero.

Line 18 - Add amount from Line 9 taxable wage computation or amount from Part A Section 1 Column E (*if no part of Section 2 is used to adjust wages for Form 2106 expenses or for Wages earned outside Toledo having had Toledo tax withheld*).

Line 19 - Add line 17 and 18.

Line 20 - Multiply line 19 by 2.25% (.0225).

PART C FINAL TAX COMPUTATION

Line 21a - Enter the Toledo tax withheld from total line Section A, Line 1C.

Line 21b - Enter Toledo tax withheld from Form W2G.

Line 21c - Total line 21a and line 21b.

Line 22 - Subtract line 21c from line 20.

Line 23a - Enter the total of your estimate payments.

Line 23b - Enter the total of any overpayment from your prior year return that you carried forward to this year

Line 23c - Total line 23a and Line 23b.

Line 24 - Subtract line 23 from line 22. If line 24 is positive you have a Balance due—enter that amount on line 25. (*Note that if line 25 is under \$10, do not remit as we will not collect or bill you for that amount*). If line 24 is negative you have an Overpayment, enter this amount on Line 28. (*Note that amounts under \$10 will not be carried forward nor will they be refunded*). *****Please note that in both cases if the amount is under \$10 the return is still required to be filed.**

Line 25 - Enter the positive amount from line 24.

Line 26 - Enter the amount of penalty on line 25a the amount of interest on line 26b and the late filing fee on line 26c.

NOTE: 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 January 15th following the current tax year (**for individuals**) or December 17th of the current tax year (**for other than individuals**) 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 filed).

Penalty: Estimates and Late Payments on Returns--The penalty is 15% of the amount not timely paid on each document.

Interest at 6% per annum for 2017 and 6% per annum for 2018 will be assessed on each month that the payment was unpaid. Monthly rate for 2017 is .5% and for 2018 is .5%.

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 in addition to the Late Payment Penalty. Filers who file late and have no balance due will also be assessed the Late Filing Fee.

Line 26d - Enter the total of line 25a 25b and 25c

Line 27 - Add Line 25 and total amount from Line 26d. *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, please remit what you can and file this return timely to avoid a late filing penalty. For Payment by credit/debit card see that link on our website. Note that if you remit payment via the internet you still must file the paper return with supporting schedules.*

Line 28 - Enter the amount of the overpayment from Line 24 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, if you are requesting a credit carry forward or a refund. This will help channel your request to the proper area for processing. Further, if you wish to assign any part of the refund to your resident city, enter the city of residence and sign where indicated just below Line 28.

SIGNATURES:

Even if you assign your refund to your resident city and sign that line, you still must sign your return in the area marked as **SIGNATURE**. 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.

PART D NRR WAGE COMPUTATION

This is for use by a Non-Resident whose employer withheld Toledo tax from their wages while they worked outside of Toledo. **PLEASE NOTE THAT THIS FORM MUST BE COMPLETED ENTIRELY AND THAT THE EMPLOYER CERTIFICATION MUST BE SIGNED AND BE INCLUDED WITH THE RETURN WHEN FILED.** See additional instructions on our website as to taxability of wages and definitions of work locations that changed due to revision of Ohio Revised Code Section 718 as a result of House Bill 5 requirements.

Note that vacation, holidays and sick days do not count as days worked outside of Toledo. Preponderance of the day rules per OCR 718 will apply.

A separate NRR Wage Computation Section will need to be completed if both spouses on a joint return are claiming days worked outside of Toledo when Toledo tax was withheld.

Enter in the spaces provided your name, social security number, current address, and a daytime phone number where we can contact you regarding the information you have listed. Also enter the name of your employer the total wages for this job the period of time you worked—the dates you started and ended, along with the Toledo tax withheld for this job in the spaces as indicated. If this is in a township please note that too.

Enter the Street Address, City Village Township, State and Zip Code where you resided at the time you worked for this employer while working out of Toledo and having Toledo Tax withheld. Please list the type of work you performed or your job title or classification.

For each date you worked out of Toledo, List the actual street address, city and state and exact days along with the business purpose for your being at that location. If there is a period of time you worked at that location state the period in the Exact Date column and total the number of days and list that number in the column for the number of days worked at each location. If you need additional lines please use the ***Expanded Log Page*** that can be found on our website and include that when filing.

Enter the total number of days worked outside Toledo from the Number of Days column as the numerator over the number 260 (260 represents 5 days a week 52 weeks a year). Divide the total number of days worked outside Toledo by 260. Enter the result as a percentage for example $.2567 = 25.67\%$

Enter the percentage of time that you just computed on Line 1. On Line 2 enter the wages for the job.

Multiply line 2 by line 1 and enter that amount on Line 3. This is the income you earned outside of Toledo. Enter the amount from line 3 on Part A Section 2 Wage Adjustment for NRR Line 1. (Note each spouse needs to compute their wage adjustment separately, if they worked outside Toledo when Toledo tax was withheld).

Please note that if you have no other wage adjustment for unreimbursed business expenses and do not have any non-wage income, the amount you computed on Line 3 as income earned outside Toledo multiplied by 2.25% (.0225) will be the amount of your refund that is calculated on Line 28 in Part C.

On Page 3 You will need to Sign and Date the bottom of the **NRR WAGE COMPUTATION SECTION AND** have your employer complete and sign the **Employer Certification** portion of this section. Failure to have this section signed and completed will result in your form being returned to you and delaying your refund processing. **THIS SECTION PART D NRR WAGE COMPUTATION AND THE EMPLOYER CERTIFICATION MUST BE FILED WITH THE FULL NON-RESIDENT INDIVIDUAL TOLEDO RETURN.**

If you are requesting that your account be inactivated due to your moving from the City of Toledo with no intent to return, although retaining a mailing address within the City of Toledo as your address of record, please enter the date of your move and the reason, and attach supporting documentation with regard to your relocation.

SCHEDULE Y—BUSINESS APPORTIONMENT FORMULA

For allocation of schedule income that was only partially earned in Toledo. *(Note that rental income should not be allocated, but should be based on actual income within Toledo).*

For Steps 1, 2 and 3 of this formula enter in column A the amount located everywhere and in column B list the amount located only within Toledo. In Column C, list the result of dividing the amount in column B by the amount in column A. Step 4 Total the percentages shown in column C. Step 5 divide the percentage shown in Step 4 by the total number of percentages used. Please note that just having an entry in column A Everywhere for any one step and no entry in column B for located in Toledo does not mean that that percentage wasn't used. If there is an entry in the everywhere column that counts as a percentage used even if the percentage in Toledo is zero.

Note that in Step 1 that it is the average original cost of real and tangible personal Property and/or the gross annual rentals multiplied by 8 and added together if both are used to determine the value of tangible and real business property.

If you have multiple Schedule C's where the amount of income attributable to Toledo is different with each business, you will need to complete separate Schedule Y's for each business and attach them to the return when filing.

SCHEDULE Y-1 RECONCILIATION OF SCHEDULE Y WAGES TO WITHHOLDING RETURNS

The purpose of this schedule to provide a place to explain any reasons why Toledo would not have received 2.25% tax on the wages shown in Schedule Y Step 2 Located in Toledo.

Line 1 - List the total workplace Toledo wages listed above in Schedule Y that were shown on the Toledo withholding forms you filed for the tax year covered by this return.

Line 2 - Explain any difference between the total wages for which tax was remitted and the Toledo wages shown on Schedule Y Step 2.

Line 3 - Enter the Federal ID and name and address of the account under which withholding was remitted if different than the Fed ID and name shown on this return.

Line 4 - If you issued 1099-Misc to Toledo residents answer yes to this question and please attach copies of those to the back of this return when filed.

REMEMBER TO ATTACH YOUR PERSONAL W2'S to the side of page 1 of this return in the area so noted. Attach all applicable schedules for income show in Part B as well as Form 2106 or 2106 EZ and Schedule A and a copy of page 1 of your Federal return to the back of this return when filing.

If this is an amended return please check the box on page 1 upper right corner and include a copy of the originally filed return.

REMEMBER TO SIGN YOUR RETURN (BOTH SPOUSE MUST SIGN JOINT RETURN) EVEN IF YOU HAVE REQUESTED ANY REFUND TO BE ASSIGNED TO YOUR RESIDENT CITY. See signature boxes on page 3 of the return.