This is the Toledo form for 2019 specifically for use by filers of the above federal forms for filing at the entity level. The Ohio Revised Code 718 for 2016 and later years requires that all tax be filed and paid at the entity level. Please note that filers of Federal Form 1120S must file as if it were a C corporation and pay tax at the entity level.

**INSTRUCTIONS FOR COMPLETING THE RETURN:**

Enter your Toledo Account Number and Federal ID number on lines provided. If you do not have a Toledo Account number you can contact our office at 419-245-1662 to obtain your number. The questionnaire on our website (www.toledo.oh.gov.) should be completed and faxed to us at 419-936-2320 so that the account can be established. Unless you request us to otherwise contact you with the new account number, your account number will be mailed to the address indicated on the questionnaire.

Enter the Company Name, Trade Name, Address, City, State and Zip on the lines provided for that information.

If you have a different Local Business Address enter that information where indicated.

On the right-hand side please complete the information regarding fiscal year and if the return is for a short period.

Check the box for filing status based on Federal return filed. Also, answer the questions regarding Toledo filing for the prior year, whether filing a consolidated return and if your account should be closed and the reason for doing so. Also, answer the question regarding employees in Toledo and the nature of your business.

Before beginning Part A Tax Calculation, Go to Schedule X page 2 of the return.

**SCHEDULE X - Reconciliation with Federal Income Tax Return per ORC 718 (Page 2 of the return)**

**Line 1** - Enter the income from your Federal return (Form 1120, Form 1120S, Form 1065 or Form 1041). Note that Federal taxable income is the corporation federal taxable income before net operating losses and special deductions (Form 1120 Only).

Before completing Line 2 of Schedule X enter the Items not deductible as shown on Schedule X line 6 depending on which items apply. Total those amounts on Schedule X line 5J and place that amount on Schedule X line 2a.

Also, complete Schedule X Line 6 Items not taxable for all applicable entries and total those amounts on Schedule X line 6F. The Amount from Schedule X line 6F should be entered on Schedule X line 2b.

The amounts on Schedule X 2a and 2b should be combined on Schedule X line 2c.

**Line 3** - Combine the amount entered on Schedule X lines 1 and 2c.

**PART A Tax Calculation (Page 1 of the return)**

**Line 1** - Enter the amount from Schedule X line 3 page 2 of the return.

**Line 2** - Enter amount of unused Loss Carry Forward from Schedule NOL.

**Line 3** – Subtract Line 2 from Line 1. This is your Federal Taxable Income before Allocation.

**Line 4** – Enter the allocation percentage from Schedule Y page 2.

**Line 5** - Multiply line 3 by line 4 (if all business located in Toledo the % is 100%) This is the Toledo Taxable Income.

**Line 6** - Multiply line 5 by the tax rate of 2.25%

**Line 7** - 7a. Toledo resident partnerships enter the amount of tax paid to other cities

7b. Enter the amount of Other Credits, such as Job Creation Tax Credits approved by Toledo City Council

7c. Total Lines 7a and 7b

**Line 8** - Subtract line 7c from line 6
Line 9 - Enter the amount of credits (tax payments) carried forward from prior tax year on line 9a. Enter total amount of estimate payments on line 9b. Combine amounts on line 9a and 9b and enter on 9c.

Line 10 - Subtract Line 9c from Line 8. If line 10 is Positive you have a balance due (note that amounts $10 or less should not be remitted and those amounts will not be billed or collected. Go to line 11. If line 10 is Negative you have an Overpayment (Amounts $10 or less will not be carried forward or refunded).

**Please note that in both cases if the amount is $10 or less the return is still required to be filed.**

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 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 100% of the preceding tax year must have been for a full 12 month period and that the tax return was filed).

Line 11a - Penalty: Estimates and Late Payments on returns—the penalty is 15% of the amount not timely paid on each document.

Line 11b - Interest at 7% per annum for 2019 and 7% per annum for 2020 will be assessed on each month that the payment was unpaid. The monthly interest rate for 2019 is .5833%.

Line 11c - 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 this Late Filing Fee.

Line 11d - Total line 11a+11b+11c and enter on 11d

Line 12 - Total line 10 and 11d

Note that payment must accompany the tax return. If you cannot pay the amount due in full, please make a partial payment with the return. You will be billed for the remainder due plus late fees. For credit card payment, please see that part of our website. **Note that if you remit payment on-line via Ohio Business Gateway, TaxConnect or another payment method, you still must mail your return and supporting documents.**

Line 13 - If line 10 is an overpayment of more than $10 please enter the amount of the overpayment that you wish to transfer to the next tax year and if you want a refund please enter the amount to be refunded. Also check the appropriate box in the upper right corner of the return as to refund and/or overpayment transfer. Remember to sign, listing your title also, and date the return. Check the box if we may discuss the return with your paid preparer.

The paid preparer should sign where indicated, print their name and the firm’s name and include a phone number.

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.

**OTHER INSTRUCTIONS**

**SCHEDULE Y – Business Apportionment Formula**

This Schedule is 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)

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. Note that in Step 1, 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.

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. Enter the result on Step 5 Column C and on Page 1, Line 4 of the Toledo Business Return.

Please note that just having an entry in column A Located 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 Located Everywhere column that counts as a percentage used even if the percentage in Toledo is zero.

SCHEDULE Y-1 – Reconciliation of Schedule Y Wages to Withholding Returns. The purpose of this schedule is 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.
   1. 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.
   2. If you issued 1099-MISC to Toledo residents answer yes to this question, and please submit copies of those attached to the back of this return when filed.

SCHEDULE NOL: Unused Loss Carry Forward (LCF). Fill in the unused LCF for 2014 thru 2018 and the current year if applicable. Total this line and enter on Page 1, Line 2 of this return.
Loss Used THIS Year. List LCF’s used under the appropriate year of usage. Total this Line.
Loss Carried Forward to NEXT TAX YEAR. Subtract the Loss Used this Year from the Unused LCF in each column.
For the 2019 tax year, any remaining 2013 LCF will not be allowed since we have a 5-year LCF. Through the tax year 2016, 100% of the LCF’s can be used to offset any current gain for 5 years. Beginning in 2017, only 50% of the LCF’s can be taken against the current liability with the remainder carried forward to the next year.

REMEMBER TO ATTACH A COPY OF YOUR FEDERAL RETURN PAGES 1-5 AND APPLICABLE SCHEDULES OF OTHER INCOME, OTHER DEDUCTIONS, FORM 1125-A, FORM 8825, FORM 4797, FEDERAL SCHEDULE E, SCHEDULE D, SCHEDULE M-3, FEDERAL FORM 8949 AND 1099-MISC ISSUED TO TOLEDO RESIDENTS TO THE BACK OF THIS RETURN.

REMEMBER TO SIGN YOUR RETURN ON PAGE 1.