

INSTRUCTIONS

IMPORTANT

READ ALL INSTRUCTIONS CAREFULLY BEFORE PREPARING RETURN

NOTE: 1) TAX RETURN WILL BE CONSIDERED INCOMPLETE IF W2s AND THE 1ST PAGE OF THE FEDERAL 1040 ARE NOT ATTACHED

CITY INCOME TAX INFORMATION

WHAT IS THE TAX RATE - The Tax Rate is 1.5%

BUSINESS LOSSES MAY NOT BE USED TO OFFSET WAGES.

WHO MUST FILE A TAX RETURN -

Net Operating Loss carry forward not allowed.

RESIDENTS:

HUSBAND AND WIFE MAY FILE JOINT RETURNS

NON-RESIDENTS:

Non-Residents of the City, who receive salaries, wages, commissions, and other earned income for work done or services performed or rendered within the City.

INTERESTS - PENALTIES - ALL TAXES IMPOSED BY THE ORDINANCE AND REMAINING UNPAID AFTER THEY HAVE BECOME DUE SHALL, IN ADDITION TO THE AMOUNT OF THE UNPAID TAX, BEAR INTEREST AT THE RATE OF .5 PERCENT (.5%) PER ANNUM, AND THE TAXPAYER UPON WHOM SAID TAXES ARE IMPOSED SHALL BE LIABLE. IN ADDITION THERETO, TO A PENALTY OF ONE AND ONE HALF PERCENT (1 $\frac{1}{2}$ %) OF THE AMOUNT OF THE UNPAID TAX FOR EACH MONTH OR FRACTION OF MONTH FOR THE FIRST SIX MONTHS OF NON-PAYMENT OR **FIFTY DOLLARS** WHICHEVER IS THE GREATER.

Non-Residents have Rental Property situated within the City. However, the tax is computed on the net income only, after allowance of Depreciation, Real Estate taxes, Repairs, Insurance, etc.

INSTRUCTIONS TO PREPARE DECLARATION OF ESTIMATED TAX

A credit allowed to residents for the income tax paid to another municipality, up to 1.5% only. **(Persons resident or non-resident, shall not be permitted to off-set any losses derived from business against any wages or payroll earnings.)**

8. Enter the total estimated taxable income for the coming year. Include all income subject to City Tax, such as salaries, wages, commissions, etc. before any payroll deductions, net income from business, profession, rental and other sources. Multiply by Municipal Tax Rate to arrive at estimated tax due.

NON-RESIDENT EMPLOYERS (contractors, etc.) who are doing business within the municipality are required to deduct at the time of payment of salaries, wages, commissions, or other compensation the tax on the gross amount earned in the municipality.

9a. List any overpayment to tax liability from prior year which you have requested to be applied to your tax for the coming year.

EVERY EMPLOYER, resident or non-resident, who is required to deduct and withhold the tax at the source is liable directly to the municipality for payment of such tax whether actually collected from their employees or not.

9b. Deduct the amount of tax, if any, paid to another city (not to exceed credit limit).

PAYMENT OF TAX WITHHELD FROM EMPLOYEES - 1st quarter due by April 30th; 2nd quarter due by July 31; 3rd quarter due by October 31; and the 4th quarter due by January 31 of the following year.

9c. Total lines a & b.

INCOME NOT SUBJECT TO THE ABOVE TAX - Pensions, Social Security, Unemployment and Social Security Disability Benefits, Interest, Dividends, Military Pay, etc. are not subject to the tax.

10. Subtract Line 2 from 1. This is your net tax due.

WHEN TO FILE - Declarations of estimated income tax for the current years, payable quarterly, plus the annual return for the preceding taxable year are due on the date indicated on the form from individuals and businesses. Due dates for fiscal year taxpayers depends on the month they use for closing their accounting year. If you are requesting an extension, a copy of the Federal Extension form must be received prior to the filing deadline.

11. Enter amount you are paying with the filing of your Declaration, which must be at least one-fourth of the estimated tax. You may pay the tax in full, which will simplify your filing, or in four installments. You will be billed for the second, third, and fourth quarter amounts due.

WHERE TO FILE - Niles City Income Tax Department, 34 W. State St., Niles, Ohio 44446

2015 CITY OF NILES - INCOME TAX

FORM IR

FILING REQUIRED EVEN IF NO TAX DUE.

FILE WITH
CITY OF NILES - INCOME TAX
34 W. STATE ST.
NILES, OH 44446
ON OR BEFORE
APRIL 15, 2016 OR THE IRS DUE DATE

Indicate here if you are not required to file: Retired Date of Retirement _____
 Unemployed
 Other

MAKE CHECK OR MONEY ORDER
PAYABLE TO

CITY OF NILES INCOME TAX

If you are requesting an extension, a copy of the Federal Extension Form must be received prior to the filing deadline.

TELEPHONE: Home _____

Business _____

Federal ID Number _____

TAXPAYERS NAME AND ADDRESS

[Empty box for Taxpayers Name and Address]

ACCOUNT NO. _____

SOCIAL SECURITY NUMBERS:

TAXPAYER _____

SPOUSE _____

IF MOVED SINCE THE PREVIOUS FINAL RETURN WAS DUE GIVE DATE:

Attach all W-2's

INTO CITY _____ OR OUT OF _____

NOTICE: By law, all refunds and credits, in excess of \$10.00 are being reported to IRS.

THIS SPACE FOR TAX OFFICE ONLY

NOTE: Page 2 must be completed if you have taxable rental property or business income.

1. WAGES, SALARIES, TIPS AND OTHER EMPLOYEE COMPENSATION (Attach all W-2's and the 1st page of the Federal 1040) \$ _____
2. OTHER TAXABLE INCOME (SEE INSTRUCTIONS) (Attach copy of Appropriate Federal Schedules) \$ _____
3. TAXABLE INCOME: LINE 1 PLUS LINE 2 \$ _____
4. MUNICIPAL TAX 1.5% OF LINE 3 \$ _____
5. CREDITS (Each W-2 stands independent) NO REFUND OR CREDIT GIVEN WHERE TAX IS PAID IN EXCESS OF 1.5%.

- A. NILES TAX WITHHELD BY EMPLOYER \$ _____
- B. ESTIMATED TAX PAID THIS MUNICIPALITY \$ _____
- C. TAX PAID CITY OR VILLAGE OF _____ (NOT TO EXCEED 1.5%) \$ _____
- D. PRIOR YEAR OVERPAYMENTS \$ _____
- E. TOTAL CREDITS \$ _____
6. IF LINE 4 IS GREATER THAN LINE 5E PAYMENT OF BALANCE MUST ACCOMPANY THIS RETURN:
 - TAX DUE \$ _____
 - A. PENALTY \$ _____ INTEREST \$ _____ (TAX OFFICE USE ONLY) \$ _____
Late filing fee \$50.00. Late payment fee \$50.00
 - B. TOTAL AMOUNT DUE \$ _____
If balance due is less than \$1.01 payment need not be made. If overpayment is Less than \$1.01 no refund will be issued.
7. OVERPAYMENT TO BE REFUNDED \$ _____ OR CREDITED \$ _____ TO NEXT YEAR ESTIMATE.

DECLARATION OF ESTIMATED TAX FOR YEAR 2016

8. TOTAL INCOME SUBJECT TO TAX \$ _____ : MULTIPLY BY TAX RATE OF 1.5% FOR GROSS TAX OF \$ _____
9. LESS EXPECTED TAX CREDITS
 - A. OVERPAYMENT FROM PRIOR YEAR(S) \$ _____
 - B. PAYMENTS ON TAXABLE INCOME TO ANOTHER MUNICIPALITY (NOT TO EXCEED 1.5%) \$ _____
 - C. TOTAL CREDITS \$ _____
10. NET TAX DUE (LINE 8 LESS LINE 9C) \$ _____
11. AMOUNT PAID WITH THIS DECLARATION (NOT LESS THAN 1/4 OF LINE 10) \$ _____
12. BALANCE OF TAX \$ _____

I CERTIFY THAT I HAVE EXAMINED THIS RETURN (INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS) AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE. IF PREPARED BY A PERSON OTHER THAN TAXPAYER, THE DECLARATION BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE. Check the box next to your signature to authorize us to speak directly to your preparer regarding your tax return.

Signature of Person Preparing if Other Than Taxpayer

Signature of Taxpayer or Agent

Address _____

Phone No. _____

If Joint Return Spouse's Signature

THIS PAGE TO BE COMPLETED ONLY BY THOSE WHO HAVE MUNICIPAL TAXABLE INCOME OTHER THAN WAGES.

- 13. PROFIT FROM ANY BUSINESS OWNED (ATTACH COPY OF FEDERAL SCHEDULE C) \$ _____
- 14. RENTAL INCOME (ATTACH COPY OF FEDERAL SCHEDULE E) \$ _____
- 15. OTHER INCOME (ATTACH COPY OF APPROPRIATE FEDERAL SCHEDULE) \$ _____
- 16. TOTAL OTHER INCOME (LINES 13 THRU 15)..... \$ _____
- 17. NET OTHER TAXABLE INCOME (INSERT IN LINE 2 PAGE 1) \$ _____

NOTE - If Column A is used, disregard Column B

- 1. Net Profit or Loss per your Federal Income Tax Return (attach income statement)
- 2. Add items not deductible under Tax Ordinance (Schedule X)
- 3. Deduct items not taxable under Tax Ordinance (Schedule X)
- 4. Adjusted Net Profit
- 5. _____% (as determined by Business Allocation Formula) of Line 4, Col. A
- 6. Net Profits - Line 5, Column A; or Line 4 Column B (Enter on Line 3 - Page 1)

COLUMN A As shown by Federal Return	COLUMN B Allocable To City of Niles
\$ _____	\$ _____
_____	_____
_____	_____
_____	\$ _____
_____	XXXXX
\$ _____	\$ _____

SCHEDULE X

ADJUSTMENT OF NET PROFIT OR LOSS LINE 1, SCHEDULE C ABOVE, TO EXCLUDE INCOME NOT TAXABLE AND EXPENSES NOT ALLOWABLE, UNDER INCOME TAX ORDINANCE AS REQUIRED BY ORC 718

Schedule X entries are allowed only to the extent directly included in determination of net profits as shown in your Federal Return.

Items Not Deductible - ADD		Items Not Taxable - Deduct	
a. Withdrawal by proprietor or partners, if included in any expense accounts	\$ _____	e. Capital Gains.....	\$ _____
b. All income taxes paid or accrued	_____	f. Other - attach explanation citing legal basis for deduction	_____
c. Net operating loss carry-forward from Federal Return	_____		
d. Capital losses	_____		
Total Additions (enter on Line 2, Schedule C above)	\$ _____	Total Deductions (enter on Line 3, Schedule C above).....	\$ _____

BUSINESS APPORTIONMENT FORMULA

	a. Located Everywhere	b. Located in Municipality	Percentage (b divided by a)
Step 1. Average Original Cost of Real & Tangible Personal Property	\$ _____	\$ _____	xxxxx
Gross Annual Rentals multiplied by 8	\$ _____	\$ _____	xxxxx
Total Step 1	\$ _____	\$ _____	_____ %
Step 2. Net Sales	\$ _____	\$ _____	_____ %
Step 3. Wages, Salaries Paid.....	\$ _____	\$ _____	_____ %
Step 4. Total Percentages	xxxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxxx	_____ %
Step 5. Average percentage (Divide total percentages by number of percentages used. Carry to Line 5 - Schedule C above)			_____ %