

INSTRUCTIONS FOR PREPARING BRYAN CITY INCOME TAX RETURN

Heading – If this return is made for a period of time other than the calendar year, insert the beginning and ending date of the period. Enter your name, address and social security number, if it is not already printed on your return or needs corrected. If you do not have an account number, one will be assigned upon the receipt of your account.

Line 1 – Section A page 2 pulls through to line 1 of page 1. Enter the total amount of gross compensation (Medicare Wages, box 5 on W-2) from all W-2s forms for the tax year as listed on your return.

Line 2 – Percentage of time you lived or worked inside the city limits multiplied by line 1. Attach Documentation.

Line 3 – Enter total amount of other income. Copy of federal schedules required.

Line 4 – Enter total Business income made within city limits, if you are a resident all business income must be reported. Attach Federal Schedule C. Residents please attach any other cities returns you worked in for credit up to 1.8% of taxes paid to other cities.

Line 5 – Enter total Rental income made within city limits, if you are a resident all rental income must be reported. Attach Federal Schedule E. Residents, please attach any other cities returns you had rental income for credit up to 1.8% of taxes paid to other cities.

Line 6 – Enter total Farm income made within city limits, if you are a resident all farm income must be reported. Attach Federal Schedule F. Residents, please attach any other cities returns you had farm income for credit up to 1.8% of taxes paid to other cities.

Line 7 – Enter total from Section B on page 2. Loss can only be used to the point that income becomes zero. Schedule losses start in tax year 2018 and can be carried forward at fifty percent for five years. Attach Loss Worksheet.

Line 8 – Add all income line 1 thru 7.

Line 9 – Take line 8 and multiply by 1.8%.

Line 10 – Bryan Tax withheld from your wages, W-2 box 19.

Line 11 – Credit for tax paid to other cities or villages up to 1.8%.

Line 12 – Amount paid on a Declaration of Estimated Tax will appear on this line.

Line 13 – Overpayments from a prior year that were not refunded will appear on this line.

Line 14 – Add lines 10 thru 13.

Line 15 – Late filing penalty of \$25.00 per month for each failure to timely file each return.

Line 16 – Penalty is a flat uniform non-payment penalty of 15% of amount not paid. Interest is 5% annually plus federal rate.

Line 17 – Line 9 minus line 14, plus 15 and 16.

Line 18 – (a) Enter amount you want applied to next years estimated tax (\$10.00 or less not credited)
(b) Enter amount you want refunded after being reviewed by the Tax Department, (\$10.00 or less not refunded)

Line 19 – Enter here total estimated tax, mandatory if \$200.00 or greater is due, on income subject to tax, multiplied by tax rate of 1.8%.

Line 20 – enter overpayment claimed from Line 18(a) and/ or taxes withheld to be credited to estimated taxes for following year.

Line 21 – Enter amount due with estimate 22.5% of line 19 minus line 20, payable with this return on or before April 15th, or the Revised Federal Due Date.

ALL W-2 FORMS AND APPROPRIATE FEDERAL SCHEDULES MUST BE ATTACHED TO THE BACK OF TAX RETURN TO BE COMPLETE. IF NOT ATTACHED, THEY WILL BE RETURNED MARKED INCOMPLETE AND WILL NEED TO BE RESUBMITTED WITH PROPER SUPPORTING DOCUMENTATION.

SIGNATURE – YOUR TAX RETURN MUST BE SIGNED AND DATED BEFORE SUBMITTING IT TO THE BRYAN CITY INCOME TAX DEPARTMENT. A RETURN IS NOT FILED WITHIN THE MEANING OF THE LAW, UNTIL SIGNED BY THE TAXPAYER OR AN AGENT LEGALLY AUTHORIZED TO SIGN TAX RETURNS FOR SUCH TAXPAYER. ANY RETURN RECEIVED UNSIGNED WILL BE RETURNED FOR PROPER SIGNATURE.

IMPORTANT PLEASE READ

This is your Bryan City Income Tax Return. Included are the Annual Return, Declaration of Estimated Tax and instructions.

Our tax office staff is available to assist you in completing your city tax return and answer any questions you may have about your tax filing. Our office is located at Bryan City Clerk-Treasurer's office, 1399 East High Street Phone: 419-633-6027, 419-633-6023. Office hours are 8:30 a.m. to 4:30 p.m. Monday thru Friday.

Estimated tax, mandatory if \$200 or greater is due, must be paid in quarterly installments on all earned income without payroll withholding or less than 1.8% withholding. First quarter payment must be included with the initial filing of a Declaration of Estimated Tax. Remaining quarterly payments will be billed when due. Taxpayers filing on fiscal year basis should substitute appropriate dates. Declaration of Estimated Tax must be completed each year if the account is to remain open (even if filing a zero). Paid estimates must be within 90% of the actual taxes due or an amount equal to your tax liability from the previous year. Penalty and interest will be charged for non-payment or underpayment of the estimated tax.

Make sure your remittance for tax due is enclosed with your return along with a complete copy of the Federal Form 1040, schedules and W-2 forms as necessary for support documentation. Make checks payable to: BRYAN CITY INCOME TAX. There will be a \$25.00 charge for returned checks.

GENERAL INFORMATION

WHO IS REQUIRED TO FILE A RETURN:

In accordance with city ordinance the following entities are required to file a city tax return:

Every Resident, mandatory filing for all residents 18 years of age and older.

Every Business Entity, (individual proprietorship, partnership, corporation, profession, etc.) whether a resident or non-resident who conducts a business in Bryan must file a return and pay any tax on net profit. If you have a net loss you are still required to file a return. (Business includes rental and farm income).

Individuals employed in Bryan receiving wages, salaries, commissions, etc. and who employers have not withheld city income tax should contact our office to determine filing status.

PARTIAL YEAR RESIDENT:

If you were a resident of Bryan for only a portion of the year, you are only subject to tax on the income earned during the period of your residency. **(Income earned in Bryan is taxed 100% and is exempt from partial year calculations.)** 1. Gross wages (per W-2) ÷ (months worked) X (months as Bryan resident) = Bryan Taxable Income. 2. City tax withheld (per W-2) not to exceed 1.8%, ÷ (months worked) X (months as Bryan resident) = Allowable Credit. Contact City Tax Department for clarification.

WHEN AND WHERE TO FILE RETURNS

File with the City Income Tax Department, City of Bryan, 1399 East High Street, Bryan, Ohio 43506. Calendar year filings are due by April 15th, or the Revised Federal Due Date, for the close of the previous year. All wage earners must file on a calendar year basis. Fiscal year taxpayers must file on or before 105 days following the close of their fiscal year end. In the case of a return for a fraction part of the year, the period for which the return is due is 105 days after the period subject to the tax.

EXTENSION TO FILE:

For 2016 and forward, any taxpayer that has requested a federal extension for filing the federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. Any taxpayer that has NOT requested a federal extension must request an extension for filing a municipal return on or before the date the return is due.

PENALTY, INTEREST AND LATE FILING FEES:

A one-time penalty of 15% will be charged for the original due date of the return and interest at the rate of 5% plus the federal rate annually. Late filing of the return subjects you to interest and a minimum \$25.00 per month penalty up to \$150.00 for each failure to timely file a return.

TAXABLE INCOME:

Income from gross wages, tips, salaries, commissions, sick pay, third party sick pay, severance pay, 401K, vacation pay, clergy housing allowance over and above allowable expense, group term life insurance protection over fifty thousand dollars (\$50,000), bonuses, incentive payments, moving allowances to come to Bryan, director fees, profit from rental property, gambling, lottery winnings, farm income. Profits from the operation of business, profession or other enterprise or activity; and all other compensation earned, received or accrued. This list is not intended to be all-inclusive. If you have any questions regarding what may or may not be taxable, please contact the City Tax Department.

NON-TAXABLE INCOME:

Interest, dividends, capital gains, unemployment compensation, military pay, alimony, social security and other retirement and or pension benefits as they are received. (Interest is only deductible if it is included in gross receipts income.)

FEDERAL ADJUSTMENTS NOT ALLOWED:

Keogh, IRA, 401-K, Tax Sheltered Annuities. (This list is not intended to be all-inclusive. Contact the City Tax Department with any questions on adjustments.)

Tax Credit:

Bryan residents who are employed or conduct a business activity in a city OTHER than Bryan shall be allowed the tax credit of that city, providing it is less than or equal to 1.8% and has not been overtaxed for that city. The City of Bryan will allow the Indiana County Non-Resident tax rate ONLY with the filing of Indiana Form IT-40RNR (Reciprocal Nonresident Indiana Income Tax Return) attached. Do not take credit for a tax withheld for school districts.

TAX DUE, REFUND/OVERPAYMENT:

No payment is due if the amount is \$10.00 or less. An overpayment \$10.00 or less shall not be refunded nor will it be credited toward next year's tax liability. A refund will not be issued if W-2's or required schedules, etc. are missing, or if there are delinquent tax filings or tax payments due to the city. A refund will be issued if the return is stated FINAL RETURN to inactivate the account, or if an estimate is filed for the coming year. A brief explanation is needed if inactivating an account or requesting a refund.

SCHEDULE C – Profit/Loss from Business or Profession:

All business entities must attach copies of the Federal Schedule 1040. A corporation must attach copies of Federal Schedule 1120 or 1120S. A partnership must attach copies of Federal Schedule 1065 & K-1's. If your business activities were conducted in more than one municipality, see Schedule Y, State and City taxes based upon income are not deductible and must be added back to income. Guaranteed payments to partners are not deductible and must be added back into income. See Schedule X.

SCHEDULE Y – Business Allocation:

Business allocation percentage formula is to be used by corporation or non-resident business entities doing business within and outside of Bryan.

Determine the % of the Bryan portion of:

1. Average value of real and tangible property;
2. Total sales regardless of where made;
3. Total compensation paid to all employees.

Add the ratios obtained and divide by the number of ratios to obtain business allocation percentage for Bryan.