



TAXABLE INCOME:

Income from gross wages, tips, salaries, commissions, sick pay, third party sick pay, severance pay, 401K, vacation, pay, clergy housing allowance, 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, 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 office with any questions on adjustments.)

TAX CREDIT:

Bryan residents who are employed or conduct 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. Bryan tax credit, either by tax withheld or by payments on an estimate CANNOT BE ROUNDED OFF. Do not take credit for a tax withheld for school districts.

REFUND/OVERPAYMENT:

An overpayment less than \$1.00 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. 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 account or requesting a refund.

SCHEDULE C – Profit/Loss from Business or Profession:

All business entities must attach copies of the Federal Schedule C. 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 payment 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 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.

