

# CITY OF CENTERVILLE BUSINESS INCOME TAX RETURN INSTRUCTIONS

- Name and Address:** Complete the name and address information, and federal employer identification number or social security number where requested. If the name and address are not correctly shown, make any necessary changes. Indicate the type of business entity and attach explanation if “other” is indicated.
- Line 1:** For a C corporation, Federal Taxable Income (FTI) before net operating losses and special deductions. For taxpayers that are not a C corporation or an individual, compute FTI as if taxpayer were a C corporation. For Individuals, include net taxable income shown on Federal Schedules C, E and F. **A reconciliation between the FTI reported on Line 1 and the FTI per the 1065 or 1120S must be provided.**
- Line 2 and Line 3:** Municipal tax is based on “adjusted taxable income”. Use schedule X to make the mandatory adjustments to FTI reported on Line 1. No amount may be added or deducted more than once.
- Line 4:** Combine amounts on Lines 2 and 3 and show the excess on Line 4. Show negative amounts in parentheses.
- Line 5:** Total taxable income plus or minus Schedule X adjustments.
- Line 6:** Enter amount of loss carryforward if applicable. Subject to 50% limitation.
- Line 7:** Municipal taxable income. Subtract Line 6 (if applicable) from Line 5.
- Line 8:** The Business Apportionment Formula must be used by any business, operating both within and outside the City of Centerville, to determine the Centerville net profits. Multiply the municipal taxable income (Line 7) by the average percentage from Schedule Y (Step 5).
- Line 9:** Centerville Tax Due - Line 8 multiplied by 2.25%.
- Line 10:** Show total estimated payments made.
- Line 11:** Prior year overpayment is amount of tax overpaid in prior year, not refunded, but transferred for use on the liability for this year.
- Line 12:** Add Lines 10 and 11 for total credits.
- Line 13:** Subtract Line 12 from Line 9 to compute the balance of tax due. If Line 12 is more than Line 9, proceed to Line 14. No tax is due if Line 13 is under \$10.00.
- Line 14:** If Line 12 is more than Line 9, then an overpayment exists. Enter the overpayment on Line 14.
- Line 14:** If line 14 is \$10.00 or more then you may have the overpayment applied to next tax year or refunded. Indicate choice on Line 15. No indication will result in an overpayment credit to next tax year.
- Line 16:** Indicate the amount of estimated tax. The estimate is based on either the current year tax due (Line 9) or actual estimated amounts for next tax year.
- Line 17:** Multiply Line 16 by 25%.
- Line 17:** Show the overpayment from Line 15 if so indicated. The overpayment for the current tax year as shown on Line 15 of this return is applied to the first quarterly payment. If the overpayment is greater than the first quarterly payment, the difference will apply to the next quarter due.
- Line 19:** Line 17 minus Line 18.
- Line 20:** Line 13 plus Line 19. This amount is due no later than April 15 or no later than the 15th day of the 4th month after the fiscal year end. Signature: The tax return must be signed and dated. If someone other than the taxpayer completes this return, sign as preparer and show address and Federal Identification Number. Indicate by checking yes or no if we may contact your tax preparer regarding this return.

## **ACCOUNT INFORMATION UPDATE**

Complete all sections on page 2 to provide our office with current information.

## **ASSISTANCE**

For assistance in completing this return, or if you have any questions, please contact the Income Tax Department. Office hours are 8:00 A.M. to 4:30 P.M. Monday through Friday. Phone: (937) 433-7151.

# CITY OF CENTERVILLE BUSINESS INCOME TAX RETURN GENERAL INFORMATION

## WHO MUST FILE -

All corporations, partnerships, trusts, estates non-resident sole proprietors, non-resident rental owners or other entities conducting business in, performing services in, or deriving income (or loss) from activities in Centerville. Partnerships, joint ventures, associations or other businesses owned by two or more persons and conducting business in Centerville are required to file city returns as an entity. If you have received this form in error, please contact our office at (937) 433-7151.

## DUE DATES -

Taxpayers operating on a calendar year must file on or by **April 15th** of each year. Taxpayers operating on a fiscal year must file on or by the 15th day of the 4th month following their year-end. Returns and all other correspondence should be mailed to the following:

**City of Centerville Division of Taxation  
100 W. Spring Valley Rd.  
Centerville, Ohio 45458**

## EXTENSIONS -

It is not necessary to file the Federal Extension by the original due date to extend the time to file the Centerville income tax return. A copy of the Federal Extension **MUST** be provided when filing the extended return. **An extension is of time to file only; not an extension of time to pay.**

## UNDERPAYMENT PENALTY

Penalty is assessed at 15% on the difference between 90% of the actual tax due for the year and the amount paid through estimate payments or other credits (unless 100% of the prior tax liability was paid).

## PENALTY AND INTEREST

Penalty and interest for late payment is assessed on taxes paid after the original due date (April 15 th or for fiscal year filers the 15 th day of the fourth 4 th month following year end) **including extended returns. The late payment penalty** is 15% of the amount not timely paid. The late filing penalty is \$25.00 per month (maximum of \$150 for each return not filed timely), or fraction thereof, that the tax return remains unfiled regardless of the liability shown thereon. **Interest** is federal short term rate as defined in §5703 ORC plus 5% adjusted annually (7% rate for 2021).

## DECLARATIONS

A declaration is required under Ohio law if there is a net tax liability of at least \$200. The Declaration of Estimated Tax and first quarter payment is calculated and paid with the return. Second quarter is due June 15 th ; third quarter is due September 15 th; fourth quarter is due January 15 th, (Effective tax year 2018). Quarterly statements will **NOT** be sent; however, quarterly vouchers are available on the city's website.

## AMENDED RETURNS -

An amended return must be filed for any year that an Amended Federal Return is filed or in which your Federal Tax liability has changed. An amended return must be filed within ninety days of the filing date of any amended Federal return and must include a copy of the amended Federal return.

## OPERATING LOSSES -

For taxable years beginning on or after January 1, 2017 a net operating loss shall be carried forward for a period of five (5) years, subject to the limitations described in ORC 718.01(D)(3). be deducted for Centerville City Income Tax purposes for tax year 2021.

## SUPPORTING DOCUMENTS -

Documentation is necessary to verify all amounts of taxable and non-taxable income, expenses and deductions. Copies of the Federal return (Form 1120, 1120S, 1065), Federal Schedules C, E, F and any applicable schedules and statements must be provided with the City of Centerville Income Tax Return for the return to be considered complete and filed.