

GENERAL INFORMATION

WHO MUST FILE

All business entities having gross receipts, employees or assets or performing services or in any way conducting business within the City of Whitehall, whether or not any income was earned or any tax is due, are required to file an annual return

WHEN AND WHERE TO FILE

Returns must be filed on or before April 17th, or by the 15th day of the fourth month after the fiscal year end. File with: Whitehall Income Tax Division, 360 S Yearling Rd. Whitehall OH 43213-1894.

PAYMENTS & OVERPAYMENTS

Payment of net tax due of less than five dollars (\$5.00) is not required nor will overpayments of less than \$5.00 be refunded or credited to your account against other liability. Payment due dates will not be extended for any reason; all taxes paid after the due date will be subject to late payment penalty, as well as, interest.

EXTENSIONS

File a copy of your Federal extension request with the Tax office by the original due date of your year-end tax return, including payment of any tax estimated to be due. An extension request does not apply to the tax due nor does it apply to the current year Declaration of Estimated Tax and associated payments. An extension request will not be honored if you have delinquent tax matters and/or did not file a copy of the Federal extension by the original tax return due date.

ATTACHMENTS REQUIRED

Corporations must attach copies of Pages 1 through 4 of their Federal Form 1120. Corporations who file their Federal return using Form 1120A should attach copies of Pages 1 and 2 of their 1120A.

S-Corporations must attach copies of Pages 1 through 4 of their Federal Form 1120S and copies of all K-1's. NOTE: Preparers should note each member's share of city income tax paid on each member's behalf on their respective K-1's.

Partnerships/Associations must attach Pages 1 through 4 of their Federal Form 1065 and copies of all K-1's. NOTE: Preparers should note each partner's share of city income tax paid on each partner's behalf on their respective K-1's.

Fiduciaries/Trusts/Estates must attach a copy of Page 1 of their Federal Form 1041. All taxpayers must attach copies of all 1099-MISC. forms issued to central Ohio residents (if not already filed with the Tax Office) and copies of the following items (if applicable): Schedule of Other Income; Schedule of Other Deductions; Schedule A-Other Costs; Form 8825; Form 4797 (Pages 1&2); K-1's, etc.

NET PROFIT

Due to State mandated changes, net profit is defined as Adjusted Federal Taxable Income (AFTI) for a taxpayer other than an individual. Refer to the Ohio Revised Code, Chapter 718.

ADJUSTED FEDERAL TAXABLE INCOME

Adjusted federal taxable income means a C corporation's federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

- (a) Deduct intangible income to the extent included in federal taxable income (allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income).
- (b) Add an amount equal to 5% of intangible income deducted, excluding that portion of intangible income directly related to the sale, exchange, or other disposition of property described in section 1221 of the I.R.C.
- (c) Add any losses allowed as a deduction in the computation of federal taxable income if the losses directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the I.R.C.
- (d) Deduct income and gain included in federal taxable income to the extent the income and gain directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the I.R.C., except, this section does not apply to the extent the income or gain is income or gain described in section 1245 or 1250 of the I.R.C.
- (e) Add taxes on or measured by net income allowed as a deduction in the computation of federal taxable income.
- (f) In the case of a R.E.I.T. or R.I.C., add all amounts with respect to dividends to, distributions to, or amounts set aside for or credited to the benefit of investors and allowed as a deduction in the computation of federal taxable income.
- (g) If the taxpayer is not a C corporation and is not an individual, the taxpayer shall compute adjusted federal taxable income as if the taxpayer were a C corporation, except: (i) guaranteed payments and other similar amounts paid or accrued to a partner, former partner, member, or former member shall not be allowed as a deductible expense; and (ii) amounts paid or accrued to a qualified self-employed retirement plan with respect to an owner or owner-employee of the taxpayer, amounts paid or accrued to or for health insurance for an owner or owner-employee, and amounts paid or accrued to or for life insurance for an owner or owner-employee shall not be allowed as a deduction. NOTE: Nothing in this section shall be construed as allowing the taxpayer to add or deduct any amount more than once or shall be construed as allowing the taxpayer to deduct any amount paid to or accrued for purposes of federal self-employment tax.

SCHEDULE Y – APPORTIONMENT FORMULA

A business apportionment formula consisting of the average original cost of property, gross receipts and wages paid must be used by business entities not required to pay tax on entire net profits, by reason of doing business both within and outside of Whitehall. Determine the average ratio of the following:

- (Step 1) Average original cost of the real and tangible property owned or used by the taxpayer in the business or profession in Whitehall during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated. NOTE: Real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight.
- (Step 2) Gross receipts of the business or profession from sales made and services performed in Whitehall during the taxable period to gross receipts of the business or profession during the same period from sales made and services performed, wherever made or performed.
- (Step 3) Wages, salaries and other compensation paid during the taxable period to persons employed in the business or profession for services performed in Whitehall to the wages, salaries and other compensation paid during the taxable period to persons employed in the business or profession wherever their services are performed, excluding compensation exempt from taxation under section 718.011 of the Ohio Revised Code.

OPERATING LOSSES

Operating losses from prior years cannot be carried forward or backward to offset current year net gains.

CONSOLIDATED RETURNS

A consolidated City tax return will be accepted from any affiliated group of corporations subject to Whitehall tax, if that group filed for the same tax reporting period, a consolidated return for federal tax purposes pursuant to Section 1501 of the Internal Revenue Code.

AMENDED RETURNS

An amended return is necessary for any year in which an amended Federal return is filed or in which your Federal tax liability has changed. An amended return must be filed within 3 months of the filing date of any amended Federal return and must include a copy of the amended Federal return. Filing must include payment of any additional tax owed.

DECLARATION OF ESTIMATED TAX – CURRENT YEAR

Any entity anticipating Whitehall tax liability of \$100.00 or more shall file a declaration of estimated tax and pay quarterly payments. The Estimate filing and first payment is due by 4/17 or by the 15th day of the 4th month after the beginning of the fiscal year.

A minimum payment equal to 22.5% of the gross estimate is due each quarter (4/17, 6/15, 9/15 & 12/15, or, for other than calendar year taxpayers by the 15th day of the 4th, 6th, 9th and 12th months of the taxpayer's tax year).

Safe harbor rules do apply. Non-filing and/or nonpayment, as well as, late filing and late payments will be subject to penalty and interest; billing will take place upon filing of the annual return.

PENALTY AND INTEREST

Penalty for filing tax return or declaration after due date is:

\$25.00 – if tax return is late

\$10.00 – declaration not filed, or filed late.

Penalty and interest on tax paid after due date:

10% – of tax owed when paid late

1.5%, per month – interest on estimated tax payments and/or annual tax payment when paid late

CONFIDENTIALITY AND TAXPAYER ACCESS

The laws of the State of Ohio and the City of Whitehall require information about taxpayer accounts, such as amounts of income, amounts of tax liability and payment of taxes, to be held in strict confidence. Therefore, to safeguard this confidentiality, the taxpayer must provide written authorization to the Tax Division granting permission to release or discuss any taxpayer-specific information. We may require the taxpayer to request the information in person. To assist both the taxpayer and the tax practitioner, we have provided a place on the Business Tax Return, in the signature area, for the taxpayer to authorize discussions or the release of information to the tax practitioner.

DISCLAIMER:

Definitions and instructions are illustrative only. The Tax Ordinance supersedes any interpretation presented.

LINE-BY-LINE INSTRUCTIONS FOR WHITEHALL BUSINESS INCOME TAX RETURN

- LINE 1.** Enter Adjusted Federal Taxable Income (AFTI), or the equivalent on Line 1 before net operating losses or special deductions from Form 1120 (Line 28), Form 1120S (Sch. K, 18), Form 1065 (Sch. K, Pg. 4, Line 1), Form 1041 (Line 17), or Form 990 (Line 30).
- LINE 2.** Complete Schedule X (Page 2) to reconcile federal taxable income to city taxable income, if necessary. Items not taxable must be included in income reported to be deductible. Carry Line Q (Sch. X) amount to Page 1, Line 2.
- LINE 3.** Compute taxable income, before apportionment, by subtracting or adding Line 2 to Line 1. If net loss is realized, enter zero.
- LINE 4.** Enter 100% if income is fully taxable to Whitehall. Complete Schedule Y (Page 2) to determine percentage of net profits allocable to Whitehall when business is conducted both inside and outside of the city. Carry Step 5 percentage to Page 1, Line 4.
- LINE 5.** Whitehall taxable income is computed by multiplying Line 3 by percentage on Line 4.
- LINE 6.** Whitehall Income Tax due: multiply Line 5 by 2.5% (.025).
- LINE 7.** Enter estimated tax payments plus any prior year overpayment (not refunded).
- LINE 8.** Enter other allowable credit and explain. NOTE: Credit will be disallowed if supporting documents are not provided.
- LINE 9.** Total credit, add Lines 7 and 8.
- LINE 10.** If Line 6 is greater than Line 9, enter balance of tax due. Penalty and interest is applicable if tax return is filed after due date and/or estimated tax payments were required and not paid. If penalty and/or interest do not apply, go to Line 13. If amount due is less than \$5.00, enter zero.
- LINE 11.** If Line 9 is greater than Line 6, enter overpayment. If the tax return is filed after the due date, penalty is imposed (see instructions for Line 12). If penalty does not apply and overpayment is \$5.00, or more, enter here and go to Line 14.
- LINE 12.**
- A.** \$25.00 if return is filed after the due date.
 - B.** Multiply Line 10 tax due by 10% if tax is paid after the due date.
- C.** Interest is calculated at 1.5% per month (or fractional part thereof) of Line 10 tax due.
- D.** Penalty for failure to file declaration of estimated tax by due date is \$10.00. Estimated tax payments not paid or paid after due dates are subject to 1.5% per month, interest.
- LINE 13.** Balance due. Add Lines 10 and 12, **or**, subtract Line 12, penalty and interest, from Line 11 overpayment. If the result is a penalty and interest balance due, enter amount due. Carry **balance due** to Line 13. If balance due is less than \$5.00, adjust to zero and remit no payment.
- LINE 14.** Overpayment from Line 11 is entered here (\$5.00 or more). If Line 11 is reduced by Line 12 (penalty/interest), enter remaining overpayment (\$5.00 or more). Overpayment of \$5.00, or more, will be refunded if no other debt exists, current year estimated tax is current and if all supporting documents and requirements of the Tax Ordinance have been complied with. Overpayments of \$4.99 or less will not be carried forward or backward, or refunded.
- NOTE: THE DUE DATE FOR THE CURRENT YEAR DECLARATION OF ESTIMATED TAX CANNOT BE EXTENDED FOR ANY REASON, EVEN IF A FEDERAL EXTENSION FOR THE PRIOR YEAR ANNUAL TAX RETURN HAS BEEN REQUESTED AND/OR APPROVED.**
- LINE 15.** Enter estimated income subject to Whitehall Tax.
- LINE 16.** Estimated tax is Line 15 multiplied by 2.50%, if \$100.00 or more, quarterly estimated payments must be remitted.
- LINE 17.** If Line 16 is \$100.00 or more, you must remit minimum payment with this filing of at least 22.5% of Line 16.
- LINE 18.** Enter prior year carryover from Line 14A (if \$5.00 or more).
- LINE 19.** Line 17 minus Line 18.
- LINE 20.** Add Line 13 and Line 19

Refer to the AFTI Worksheet found at www.whitehall-oh.us to determine the AFTI, as it pertains to taxpayers that are not a C corporation and is not an individual, and who shall compute FTI as if the taxpayer were a C corporation.

DATE AND SIGN THE RETURN AND ATTACH ALL APPLICABLE SCHEDULES AND STATEMENTS.
The Tax Ordinance, forms and instructions are available at www.whitehall-oh.us

File with the City of Whitehall
 Income Tax Division
 360 S Yearling Rd
 Whitehall OH 43213-1894
 Telephone (614) 237-9803
 Fax (614) 237-7902
 Forms available on Internet at:
 www.whitehall-oh.us
 Make Checks and Money Orders
 Payable to: City of Whitehall

2011 BUSINESS W-1120 WHITEHALL CITY INCOME TAX RETURN

OR FISCAL PERIOD _____ TO _____
 CALENDAR YEAR TAXPAYERS FILE ON OR BEFORE APRIL 17TH
 FISCAL YEARS FILE BY 15TH DAY OF THE FOURTH MONTH
 AFTER THE CLOSE OF THE PERIOD.

FOR OFFICE USE ONLY		
DATE REC'D	INITIALS	
PMT \$ W/FORM	CHECK #	
CASH CK MO CHG FAX MAIL OFC CDB U/DR		
DATE	INIT.	BATCH #

TAX RETURN FOR (Check one) Corporation Partnership
 S-Corporation Fiduciary Estate Trust

FEDERAL I.D. NO.

HAS A RETURN BEEN PREVIOUSLY FILED USING THIS NUMBER? YES NO

PROVIDE NAME AND ADDRESS IN SPACE ABOVE

1. ADJUSTED FEDERAL TAXABLE INCOME (Per attached Federal Form 1120 (Line 28), 1120S (Sch. K- Line 18),1065 (Sch. K -Analysis of Net Income (Loss), Page 4 -Line 1), 1041 (Line 17), Form 990 (Line 30) or the equivalent).....	1	\$ _____	
2. ADJUSTMENTS (From Schedule X, Line P)	2	\$ _____	
3. TAXABLE INCOME BEFORE APPORTIONMENT (Line 1, plus or minus line 2; if net loss - enter -0-).....	3	\$ _____	
4. APPORTIONMENT PERCENTAGE ((Enter 100% or % from Schedule Y, Step 5)..... 4 _____ %	4		
5. ADJUSTED NET TAXABLE INCOME (Multiply line 3 by line 4 percentage rate)..... INCOME	5	\$ _____	
6. WHITEHALL TAX DUE (Multiply line 5 by 2.5% (.025))..... TAX	6	\$ _____	
7. ESTIMATED TAX PAYMENTS PLUS PRIOR YEAR CREDIT CARRIED FORWARD	7	\$ _____	
8. OTHER CREDITS - EXPLAIN AND DOCUMENT FULLY	8	\$ _____	
9. TOTAL CREDITS (Add lines 7 and 8)..... TOTAL CREDIT	9	\$ (_____)	
10. IF LINE 6 IS GREATER THAN LINE 9 - TAX DUE (Line 6 less line 9)..... TAX DUE	10	\$ _____	
11. IF LINE 9 IS GREATER THAN LINE 6 - OVERPAYMENT (Line 9 less line 6)..... OVERPAYMENT	11	\$ (_____)	
12. PENALTY & INTEREST (See instructions):			
A. PEN-LATE FILING (\$25.00):		\$ _____	
B. PEN FOR LATE PAYMENT (10%):		\$ _____	
C. INT-LATE TAX PMT (1.5% per month):		\$ _____	
D. DECL.PEN: \$ _____ /DECL.INT:.....		\$ _____	
TOTAL PENALTY/INTEREST (Add lines 12A, 12B, 12C and 12D)..... PENALTY/INT.	12	\$ _____	
13. BALANCE DUE (Line 10 plus line 12, or, Line 11 less line 12. Enter here and on line 19.)..... BALANCE DUE	13	\$ _____	▶
(If balance due is less than \$5.00, adjust to zero and remit no payment)			
14. OVERPAYMENT (Line 11, OR, line 11 less line 12; if less than \$5.00, enter -0-)..... OVERPAYMENT	14	\$ (_____)	
INDICATE OVERPAYMENT DISTRIBUTION (Overpayment less than \$5.00 will not be refunded or carried forward.):			
A. APPLY TO PRIOR YEAR / NEXT YEAR		\$ _____	
B. REFUND REQUESTED.....		\$ _____	

DECLARATION OF ESTIMATED TAX FOR 2012

15. Total estimated income subject to tax.....		\$ _____	
16. Multiply line 15 by 2.5%. Total Whitehall income tax declared		\$ _____	
17. Tax due before credits. Enter 22-1/2% of line 16		\$ _____	
18. Less credits from line 14.A. above, if any		\$ _____	
19. NET ESTIMATED TAX DUE. Line 17 less line 18*		\$ _____	▶

20. TOTAL AMOUNT DUE. Line 13 plus line 19		\$ _____	▶
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*First Quarter Estimate should be paid with this return. Payment forms for the remaining estimated payments are available at www.whitehall-oh.us or will be mailed upon request.
 If this return was prepared by a tax practitioner, check here if we may contact him/her directly with questions regarding the preparation of this return.

I DECLARE 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.

SIGNATURE OF PREPARER, IF OTHER THAN TAXPAYER	DATE	SIGNATURE OF TAXPAYER OR AGENT	DATE
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NAME AND ADDRESS OF PREPARER	TELEPHONE NUMBER	NAME AND TITLE	TELEPHONE NUMBER
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SCHEDULE X

This schedule is used to adjust your federal net income to your Whitehall taxable income. The left column is for items deductible on the federal return, but not deductible under the Whitehall Ordinance. The right hand column is for items taxable on the federal return, but not taxable by Whitehall.

ITEMS NOT DEDUCTIBLE	ADD	ITEMS NOT TAXABLE	DEDUCT
A. Capital Losses (IRC 1221 or 1231 property dispositions)	\$ _____	I. Federally reported income/gains from IRC 1221 or 1231 property dispositions, except to the extent the income/gains apply to those described in IRC 1245 or 1250 (excluding ordinary gains).....	\$ _____
B. Five percent (5%) of intangible income reported on Line K, except that from IRC 1221 prop. dispositions.....	\$ _____	J. Federally reported intangible income such as, but not limited to, interest, dividends, and patent and copyright income.....	\$ _____
C. Federally deducted taxes based on income	\$ _____	K. Amount of Federal tax credits to the extent they have reduced corresponding operating expenses	\$ _____
D. Guaranteed payments or accruals to, or for, current or former partners or members.....	\$ _____	L. IRC Section 179 expenses (not previously deducted)...	\$ _____
E. Federally deducted dividends, distributions, or amounts set aside for, credited to, or distributed to REIT or RIC investors	\$ _____	M. Charitable contributions of Partnerships, S corp's, LLC'S	\$ _____
F. Federally deducted amounts paid or accrued to, or for, qualified self-employed retirement plans, health insurance plans, and life insurance plans for owners or owner employees of non-C corporation entities	\$ _____	N. Other (explain and document).....	\$ _____
G. Other (explain and document)	\$ _____	O. TOTAL DEDUCTIONS (lines I through N).....	\$ _____
H. TOTAL ADDITIONS (lines A through G)	\$ _____		
P. CALCULATE DIFFERENCE BETWEEN LINE H AND LINE O, CARRY TO PAGE 1, LINE 2			\$ _____

SCHEDULE Y – BUSINESS APPORTIONMENT FORMULA

(THIS FORM IS TO BE USED BY NON-RESIDENTS OF WHITEHALL OHIO ONLY)

	a. LOCATED EVERYWHERE	b. LOCATED IN WHITEHALL	c. PERCENTAGE (B ÷ A)
Step 1. Average original cost of real & tangible personal property	\$ _____	\$ _____	XXXXX
Gross annual rentals multiplied by 8	\$ _____	\$ _____	XXXXX
TOTAL STEP 1	\$ _____	\$ _____	1. _____%
Step 2. Gross receipts from sales made and/or work/services performed.....	\$ _____	\$ _____	2. _____%
Step 3. Total wages, salaries, commissions & other compensation of all employees	\$ _____	\$ _____	3. _____%
Step 4. Total percentages.....			4. _____%
Step 5. Average percentage (Step 4 total divided by number of percentages used. If a and b in a Step are both zero, the percentage is not used)			5. _____%

CARRY STEP 5 AVERAGE PERCENTAGE TO PAGE 1, LINE 4.

SCHEDULE Y-1 – RECONCILIATION TO FORM W-3, WITHHOLDING RECONCILIATION

Total wages apportioned to Whitehall (from Federal Return or apportionment formula).....	\$ _____
Total wages shown on Whitehall Form W-3 (Employer's Withholding Reconciliation)	\$ _____
Please explain any difference	_____

ACCOUNT INFORMATION UPDATE

- A. Name, address and phone number of party in charge of books: _____
- B. Date business commenced in Whitehall? _____ Date ceased in Whitehall? _____
- C. Has Whitehall income tax been withheld from and remitted for all taxable employees during the period covered by this return? YES NO
If YES, provide EIN(s) If NO, explain on an attached statement. _____
- D. Are any employees leased in the year covered by this return? YES NO
If YES, please provide name, address, and FID number of the leasing company _____
- E. Were 1099-MISC forms issued to central Ohio residents? YES NO
If YES, attach copies to this return (if not already filed).
- F. Is this entity a subsidiary of another Corporation? If yes: provide name
Name _____ Phone _____
Address _____ City _____ State _____ Zip _____

NOTE: Employee W-2's and sub-contract labor 1099's must be filed with Tax Div. by Feb. 28th, every year.