

## INSTRUCTIONS FOR COMPLETING YOUR 2011 CITY OF TROTWOOD INCOME TAX RETURN



The City of Trotwood Income Tax Support Services Division will gladly prepare your city tax return at no charge. Bring you tax records and this packet to our office located at 4 Strader Drive, Trotwood, Ohio, Monday through Thursday between the hours of 9:30 am to 4:30 pm or Friday between the hours of 8:00am to noon for free assistance. A prescheduled appointment is required from March 19 through April 17.

**HEADING** Print your name, address and social security number plainly or make needed corrections if already printed. If you have moved, indicate date of move, present address and old address. Indicate whether you are filing a single return, married filing joint or married filing separately. Please provide your home phone number so that we may contact you with any questions regarding your return. Include your email address.

**SECTION A** If you have reviewed the taxable / nontaxable income listings and your only source(s) of income is from a nontaxable source, or if any of the exemptions apply and you have no taxable or reportable income, complete Section A and C only. If you have taxable income or compensation, you must complete Section B.

**SECTION B** List each W-2 and 1099-misc separately. Attach a separate sheet if necessary. (If 1099-misc is included in gross receipts on Schedule C, do not list here. Schedule income is reported on Line 2). For each W-2, enter the employer's name, the address where work was actually performed, the amount of Trotwood tax withheld, credit for other city tax withheld (see instructions for line 5B below.) Attach all W-2's and 1099-misc forms, Federal schedules, Federal 1040 page 1. (Photocopies are acceptable).

**LINE 1** Add the totals in each column and enter in the appropriate boxes.

**LINE 2** Enter the total of all other income and adjustments, from reverse of tax form (worksheet). All schedules must be attached.

**LINE 3** Add lines 1 and 2. This is the amount of income subject to tax.

**LINE 4** Multiply the amount of income on line 3 by 2.25% (.0225)

**LINE 5** Credits.

**5A** Enter the total Trotwood tax withheld.

**5B** Enter a credit for the tax you paid to other cities on the income you have reported on this return. **DO NOT ENTER THE ACTUAL AMOUNT OF TAX YOU PAID.** You must calculate the credit by using the following steps:

**STEP 1** If all of your income was earned in a city with a tax rate equal to or less than 2.25%, your credit is the amount of tax withheld (provided the amount withheld is correct).

**STEP 2** If your income was earned in a city with a tax rate that is greater than 2.25%, determine what portion of your W-2 wages had tax withheld at the greater rate. Then, multiply that part of your W-2 wages by 2.25% to find your credit. This step must be completed for each W-2. Please note that for both steps 1 and 2, if income has been pro-rated, credits must also be pro-rated.

**5C** Total of tax year 2011 estimated tax payments that you have paid to the City of Trotwood.

**5D** Prior year tax overpayment that you have carried forward for use on this return. (Do not include amounts refunded to you).

**5E** Add 5A through 5D. This is your total tax credit.

**LINE 6** Subtract line 4 from line 5E. If line 4 is greater than line 5E, you have a balance due. (\$5 or more).

**LINE 7** If line 5E is greater than line 4, you have an overpayment of tax. (\$5 or more). Indicate whether you prefer to credit this to tax year 2011, or have this overpayment refunded. Allow 90 days for processing of a refund. Note: If you had no Trotwood tax withheld, or estimated tax paid, or prior year credits, and you show an overpayment of tax, please re-check your calculations as there is no refund due.

**LINE 8** Late payments, late filing and/or underpayment of estimate will result in the assessment of penalty and interest charges. Please contact our office for appropriate rates if applicable.

**LINE 9** Balance due. Line 6 plus line 8. **DO NOT STOP HERE.** You must complete lines 10-14.

**LINE 10** Total estimated tax due for 2011. (Income multiplied by tax rate of 2.25%).

**LINE 11** Less credits for tax to be withheld by employers, and prior year credit carried forward.

**LINE 12** Net tax due. (Line 10 minus line 11).

**LINE 13** First quarter estimated tax due (at least 22.5% of line 12. By paying 22.5% each quarter, you will have 90% of your liability paid prior to filing of your 2011 Individual Income Tax Return).

**LINE 14** **TOTAL DUE.** Line 9 plus line 13. **PAYMENT IN FULL IS DUE BY 4/17/12.**  
 Please make checks payable to the City of Trotwood.

**SECTION C** Complete the return by signing, indicating your occupation, and dating the return. Copies of all W-2's, 1099's, Federal Schedules including page 1 of your federal tax return, and all other supporting documentation must be attached. Be sure to remit payment in full with the completed return. Include your email address.

# GENERAL INCOME TAX INFORMATION

## FOR ADDITIONAL INFORMATION, CONTACT (937) 837-3415

<b>TAX TOOL</b>	You can prepare your 2011 city income tax return using our <b>TAX TOOL</b> located on the city website at <a href="http://www.trotwood.org">www.trotwood.org</a> . Go to the Income Tax page and click on the <b>TAX TOOL</b> . Follow the instructions to prepare your return. W-2 income only.
<b>WHO MUST FILE</b>	<b>All residents of Trotwood are required to file an annual income tax return.</b> There is no minimum or maximum age limit for reporting and paying on taxable income. Please refer to the listing below to determine whether or not specific types of income / compensation are taxable. Non-residents with reportable income (rental property, self-employment under withheld wages, etc.) must also file a return.
<b>PART YEAR RESIDENTS</b>	All income earned in Trotwood is fully taxable and reportable, regardless of residency. All income earned while a resident is reportable. Any prorating of income results in pro-ration of other city tax credits. Calculations must be supported by documentation. For clarification, part year residents should include copies of pay stubs from each employer closest to the date of move.
<b>EXTENSIONS</b>	Extension to file requests must be postmarked by 4/17/12, accompanied by a copy of your Federal Extension Request and payment in full of the balance of any 2011 income tax liability. AN EXTENSION OF TIME TO PAY A BALANCE DUE WILL NOT BE GRANTED. Penalty and interest will be assessed for failure to pay by the due date. Faxed or emailed extension requests will not be accepted.
<b>DECLARATIONS</b>	Filing and paying quarterly estimated tax payments is required. First quarter declaration for 2012 is calculated on the 2012 city tax return, and is due by 4/17/12. Second quarter is due 7/31/12; third quarter is due 10/31/12; and fourth quarter is due by 1/31/13. Vouchers for 2nd, 3rd and 4th quarter payments are included in this mailing, and will not be mailed to you separately. Penalty and interest will be assessed for failure to pay by the due dates.
<b>DOCUMENTATION</b>	Supporting documentation is necessary to verify all amounts of taxable income, expenses, deductions and credits. Federal schedules (including page 1 of your federal tax return), forms, W-2's, 1099's, etc., are required for your return to be complete. Failure to include all documentation may result in your return being sent back to you, and deemed as not filed.
<b>AMENDED RETURNS</b>	An amended return is needed for any year in which an amended Federal return is filed, or in which your Federal liability has changed. An amended return must be filed within ninety (90) days of the filing of any amended Federal return.
<b>PAYMENT METHOD</b>	<b>Payment in full is required by 4/17/12.</b> You may pay by cash (in person), check, or money order.
<b>BUSINESS ENTITIES</b>	Business entities that are required to file as such must use a Business Income Tax Return, obtainable from the Income Tax Department, and on the city website at <a href="http://www.trotwood.org">www.trotwood.org</a> . Business entities include, but are not limited to, corporations, partnerships, S-corporations, limited liability companies, limited liability partnerships, etc.
<b>REFUNDS</b>	When Trotwood tax is overpaid, a refund request may be submitted. All supporting documentation must be attached. When a refund request is due to days worked out of Trotwood (for a non-resident of Trotwood), or for tax withheld in error by an employer, or for any other employment-related withholding issue, the completion of a REFUND REQUEST FORM and certification of employer is required. This form is available on our website at <a href="http://www.trotwood.org">www.trotwood.org</a> . Refunds are processed in the order received, and will be issued within 90 days after a <u>completed return</u> is submitted. Any missing documentation or information are considered incomplete, and will result in delays in processing. During tax season, refunds can take up to 90 days to be issued.

### TAXABLE INCOME

1. Wages, salaries and other compensation.
2. Bonuses, stipends and tip income.
3. Commissions, fees, and other earned income.
4. Sick pay.
5. Employer supplemental unemployment benefits (SUB Pay).
6. Strike pay.
7. Vacation pay.
8. Employee contributions to retirement plans and tax deferred annuity plans (including Section 401k, 403b, 457b, etc.)
9. Pre-retirement distributions from retirement plans.
10. Profit-sharing.
11. Contributions made on behalf of employees to tax deferred annuity programs.
12. Net rental income.
13. Uniform, automobile, moving and travel allowances.
14. Farm net income.
15. Stock options.
16. Employer paid premiums for group term life insurance over \$50,000.00.
17. Compensation paid in goods or services or property usage.
18. Income from wage continuation plans (including retirement incentive plans and severance pay).
19. Income from guaranteed annual wage contracts.
20. Prizes, gifts, gambling and lottery winnings.
21. Director fees.
22. Income from jury duty.
23. Executor fees.
24. Union steward fees.
25. Income from partnerships, estates and trusts.
26. Net profits of businesses, professions and proprietorships.
27. Ordinary gains as reported on Federal form 4797.
28. Reimbursements in excess of deductible expenses.
29. Employer provided educational assistance, taxable to the same extent as for Federal taxation.

### NON-TAXABLE INCOME

1. Interest or dividend income.
2. Welfare benefits, social security.
3. Income from qualified pension plans.
4. State unemployment benefits.
5. Worker's compensation.
6. Proceeds of life insurance.
7. Alimony.
8. Active duty military pay (including active duty National Guard).
9. Capital gains.
10. Income from election day poll work (under \$1,000.00).
11. Section 125 Cafeteria Plans.
12. Patent and copyright income.
13. Royalties derived from intangible income.
14. Annuity distributions.
15. Housing allowances for clergy to the extent that the allowance is used to provide a home.
16. Health and welfare benefits distributed by governmental, charitable, religious or educational organizations.
17. Compensatory insurance proceeds derived from property damage or personal injury settlements.

Above lists are not all-inclusive. For more information, contact (937) 837-3415.