

IMPORTANT REMINDERS FOR BUSINESSES (Tax Year 2017)



KENTON CITY INCOME TAX

555 W Franklin Street
Kenton, OH 43326
419-673-1355 (Phone)
419-675-3200 (Fax)
www.kentoncity.com

Cash payments for income tax are longer accepted. Payments may be made via check, money order or debit/credit card (in-office only, no phone or Internet debit/credit card payments).

Effective for tax year 2012, the operating loss-carryforward was reduced from 5 years to 3 years.

Effective 1/1/2016, the minimum late filing penalty is \$25.00 per month up to a maximum of \$150.00.

Effective 1/1/2016, the minimum refund or credit carryforward is \$10.00.

Effective 1/1/2016, the non-payment penalty is 15% of the delinquent tax.

Kenton extension to file requests must be filed by April 17, 2018. The timely filed Kenton or Federal extension must be attached to the return to avoid late filing penalties. An extension to file is not an extension to pay, therefore estimated taxes should be paid with the extension request to avoid non-payment penalty NO CREDIT FOR TAXES PAID TO OTHER CITIES WILL BE ALLOWED.

2018 Estimated Payments are due on: **Penalty for late/non-payment will be applied.**

April 15, 2018
June 15, 2018
September 15, 2018
December 15, 2018

Just a reminder that the City of Kenton has mandatory filing. ***Even if your business had no taxable income, you must file a tax return if your business is located within the City of Kenton or you do business/provide services within the City of Kenton.*** Please contact our office at 419-673-1355 for more information on filing your tax return.

GENERAL INSTRUCTIONS FOR 2017 BUSINESS RETURNS *

WHO MUST FILE: IT IS MANDATORY THAT YOU FILE THIS RETURN, EVEN IF NO TAX IS DUE.

- EVERY BUSINESS ENTITY that conducts business within or for the City of Kenton. *This includes owners of rental property within the City of Kenton.*
- ALL PASS THROUGH ENTITIES (any class of entity the income or profits from which are given pass-through treatment under the Internal Revenue Code) shall be taxed at the hands of the entity, not the hands of the owners of the entity.

WHEN TO FILE: Businesses that end their taxable year on December 31 must file their return on or before April 17, 2018.

Fiscal year businesses must file by the 15th day of the fourth month following the end of the fiscal year.

REQUEST FOR EXTENSION OF TIME TO FILE: An extension to file Kenton tax only may be granted upon filing a request and paying the anticipated tax owed not later than April 17, 2018 for calendar filers or the 15th of the 4th month after the end of the fiscal period. The taxpayer shall make the request by providing a letter of request that includes the taxpayer's name, address, social security number or federal tax identification number. **A copy of the timely filed Kenton extension to file or a timely filed Federal extension to file must be attached to the return when filed to avoid late filing penalties.** An extension request that is granted is for an extension of time to file and not an extension to pay.

WHERE TO FILE: The return is to be filed with:
City of Kenton
Division of Income Tax
555 W Franklin Street
Kenton, OH 43326

**This is a basic overview and does not replace or supersede the Kenton City Income Tax Rules and Regulations which are available at our website – www.kentoncity.com.*

ESTIMATED TAX PAYMENTS: Every company that anticipates any taxable income subject to Kenton taxation and such income results in tax due shall file a declaration and pay estimated tax. The payments for calendar year end filers are due on April 15, June 15, September 15, and December 15. Estimated payments for fiscal year businesses are due on the 15th day of the fourth, sixth, ninth and twelfth months after the beginning of the taxable year. Estimated tax forms for the 2018 tax year are included with this return.

*******THE TAX RATE FOR 2018 IS 1.50%*******

A COPY OF THE KENTON INCOME TAX RULES AND REGULATIONS IS AVAILABLE AT OUR WEBSITE –
www.kentoncity.com

CONTACT INFORMATION:

Phone: (419)673-1355
Fax: (419)675-3200
Hours: 8:30 to 4:30 (Eastern Standard Time), M-F

PAYMENT INFORMATION:

- Checks or money orders should be made payable to the "City of Kenton"
- Effective 1/1/2012, cash will no longer be accepted.
- Mastercard/VISA/Discover accepted at our website --- www.kentoncity.com – or by calling 1-866-917-7368 (processing fees will be charged).

OHIO BUSINESS GATEWAY: Effective January 1, 2005, businesses may file extension requests and pay estimated tax payments through the Ohio Business Gateway. Beginning with tax year 2005, businesses may file and pay their municipal income tax returns through the Ohio Business Gateway. Visit www.obg.ohio.gov for information.

REMINDER: The City of Kenton DOES NOT receive copies of the Federal Extension requests. To avoid late filing penalty, a copy of your timely filed Kenton or Federal extension must be attached to your return when filed.

An extension to file is not an extension to pay. Estimated tax liability should be paid when the extension request is submitted to avoid additional penalties and/or interest.

For additional information, please visit our website at www.kentoncity.com or contact us at 419-673-1355.

2017 – KENTON CITY BUSINESS INCOME TAX RETURN – 2017

555 W. Franklin Street, Kenton, OH 43326

DUE ON OR BEFORE APRIL 17, 2018 OR BY THE 15TH DAY OF THE FOURTH MONTH FOLLOWING THE END OF THE FISCAL YEAR FISCAL YEAR BEGINNING _____ ENDING _____

LATE FILING OF THIS RETURN SUBJECTS YOU TO INTEREST AND A MINIMUM \$25.00 PENALTY

For Assistance – Call 419-673-1355 or visit our website – www.kentoncity.com Make checks payable to City of Kenton

ENTER COMPLETE NAME AND ADDRESS INCLUDING ANY DBA (Doing Business As) INFORMATION

CHECK ONE:
[] Corporation
[] Partnership
[] Other _____

FEDERAL ID NUMBER: _____

NATURE OF BUSINESS: _____

BUSINESS CONTACT NAME: _____

CONTACT PHONE NUMBER: _____

DID YOU FILE A KENTON CITY INCOME TAX RETURN FOR THE PREVIOUS YEAR? [] YES [] NO

IF YOUR BUSINESS MOVED DURING THE YEAR, YOU MUST COMPLETE LINES BELOW:

DATE OF MOVE: _____

PRESENT ADDRESS: _____

PREVIOUS ADDRESS: _____

IMPORTANT: All Federal Schedules (including "Statements") MUST be attached. Returns received without ALL completed schedules will be marked "INCOMPLETE" and returned to the taxpayer. AN "INCOMPLETE" RETURN IS NOT A FILED RETURN AND CAN CAUSE LATE CHARGES! YOU MUST OBTAIN A KENTON EXTENSION IF A FEDERAL EXTENSION HAS BEEN GRANTED. THIS EXTENSION MUST BE REQUESTED PRIOR TO FILING DUE DATE.

SECTION A

- 1. TOTAL INCOME PER ATTACHED FEDERAL RETURN 1. _____
2. ADJUSTMENT FROM SCHEDULE X (May be positive or negative)..... 2. _____
3. TOTAL INCOME (LINE 1 PLUS OR MINUS LINE 2)..... 3. _____
4. AMOUNT ALLOCABLE TO KENTON (if Schedule Y is used) _____% [KENTON TAXABLE INCOME]..... 4. _____
5. TAX DUE (LINE 4 MULTIPLIED BY 1.50% or .0150)..... 5. _____
6A. 2016 ESTIMATED PAYMENTS..... 6A. _____
6B. CREDIT FROM PRIOR YEAR..... 6B. _____
6C. TOTAL TAX CREDITS (ADD 6A and 6B)..... 6C. _____
7. IF LINE 5 IS GREATER THAN LINE 6C ENTER BALANCE DUE (Not less than \$10.00) 7. _____
8. IF LINE 6C IS GREATER THAN LINE 5 ENTER OVERPAYMENT (Not less than \$10.00)..... 8. _____
AMOUNT TO BE: REFUNDED \$ _____ (Minimum \$10) OR CREDITED TO 2018 \$ _____
9. PENALTY \$ _____ INTEREST \$ _____ (After filing due date)..... 9. _____
LATE FILING OF THIS RETURN SUBJECTS YOUR ACCOUNT TO INTEREST AND A MINIMUM \$25.00 PENALTY
10. BALANCE DUE (ADD LINES 7 AND 9) Payable to City of Kenton..... 10. _____

Tax Office Use Only – Do not use this space

SECTION B – DECLARATION OF ESTIMATED TAXES FOR 2018

- 11. TOTAL ESTIMATED TAX FOR 2018 (1.50% MULTIPLIED BY KENTON TAXABLE INCOME)..... 11. _____
12. LESS CREDITS (INCLUDING PRIOR YEAR CREDIT FROM LINE 8)..... 12. _____
13. NET TAXES OWED..... 13. _____
14. AMOUNT PAID WITH THIS DECLARATION (1/4 OF LINE 13)..... 14. _____
15. TOTAL DUE (ADD LINES 10 AND 14)..... 15. _____

SECTION C

The undersigned declares that this return (and the accompanying schedules) is a true, correct, and complete return for the taxable period stated and that the figures used herein are the same as used for Federal income tax purposes, adjusted to the ordinance requirements for local tax purposes, and if an audit of the Federal return is made which affects the tax liability shown on the return, an amended return will be filed within three months with the City of Kenton. If this return was prepared by a Tax Preparer, I am authorizing them to disclose information concerning this return to the Kenton Tax Office. [] YES [] NO

Signature of Person Preparing Return (if other than Taxpayer) Date Taxpayer's Signature Date

Phone Number of Person Preparing Return Taxpayer's Printed Name and Title

PAID _____ [] PRE-REVIEWED BY _____ ON _____ [] REVIEWED BY _____ ON _____ FILE DATE _____

SECTION X – Reconciliation with Federal Income Tax Return

ITEMS NOT DEDUCTIBLE	ADD	ITEMS NOT TAXABLE	DEDUCT
A. Capital losses deducted (including IRC 1221 & 1231 property) DO NOT INCLUDE ordinary loss from Federal Form 4797.....	\$ _____	K. Capital gains from sale, exchange or other disposition (from Federal Schedule D). Includes IRC 1221 & 1231 property. DO NOT INCLUDE ordinary gain from Federal Form 4797.....	\$ _____
B. Expenses attributable to non-taxable income. MUST BE 5% of Line R).....	\$ _____	L. Interest earned or accrued.....	\$ _____
C. City & State income taxes & other taxes based on income.....	\$ _____	M. Dividends.....	\$ _____
D. Net operating loss deduction per Federal Return.....	\$ _____	N. Federal tax credit to the extent corresponding operating expenses have been reduced.....	\$ _____
E. Payments to partners (including former partners).....	\$ _____	O. Not previously deducted IRS Section 179 expense.....	\$ _____
F. Dividends, distributions, or amounts set aside for, credited to, or distributed to REIT or RIC investors.....	\$ _____	P. Partnership, S Corp, LLC charitable contributions.....	\$ _____
G. Qualified self-employed retirement, health and life insurance plans for owners of non-C Corp entities.....	\$ _____	Q. Losses Carried Forward (explain).....	\$ _____
H. Rental activities by partnerships, S Corp, LLC or trusts....	\$ _____		
I. Other Expenses not deductible (explain).....	\$ _____		
J. TOTAL ADDITIONS.....	\$ _____	R. TOTAL DEDUCTIONS.....	\$ _____
1. ITEMS NOT DEDUCTIBLE (FROM LINE J).....			\$ _____
2. ITEMS NOT TAXABLE (FROM LINE R).....			\$ _____
3. SCHEDULE X ADJUSTMENT (LINE 1 MINUS LINE 2, ENTER ON LINE 2 ON FRONT, MAY BE POSITIVE OR NEGATIVE).....			\$ _____

SECTION Y – Business Allocation Formula

Use this schedule if engaged in business in more than one city and you do not have books and records which will disclose with reasonable accuracy what portion of the net profits is attributed to that part of the business done within the City of Kenton. **Businesses located wholly within the Kenton city limits must include copies of tax returns filed and paid in other cities in order to allocate less than 100% to Kenton.**

	A. LOCATED EVERYWHERE	B. LOCATED IN KENTON	C. PERCENTAGE (B/A)
Step 1. Average original cost of real and tangible personal property.....	\$ _____	\$ _____	
Gross annual rentals multiplied by 8.....	_____	_____	
Total Step 1.....	\$ _____	\$ _____	_____ %
Step 2. Gross receipts from sales and work or services.....	\$ _____	\$ _____	_____ %
Step 3. Total qualifying wages, salaries, commissions and other compensation for all employees.....	_____	_____	_____ %
Step 4. Totals.....	\$ _____	\$ _____	_____ %
Step 5. AVERAGE PERCENTAGE (Divide total percentages by number of percentages used.)			% _____

Partner's Distributive Shares of Net Income (From Federal Schedules 1065K and 1099)

All partnerships required to file as entities must attach ALL of the federal schedules detailing the partners' distributive shares (Federal Schedule K and K-1).

Additional Information

DO YOU SUBCONTRACT LABOR TO PERFORM WORK IN KENTON? YES NO

If YES, copies of 1099s or a statement containing the same information must be submitted no later than February 28 of each year. Failure to provide this information can result in the disallowance of the deduction of subcontractor pay.

DO YOU HAVE EMPLOYEES WORKING IN KENTON? YES NO

If YES, copies of employee W-2 forms must be submitted no later than February 28 of each year.

TAX YEAR
2018

for office use only

DATE RECEIVED _____

PAYMENT TYPE _____

FILING PERIOD 02 / 2018

AMT. REC'D \$ _____

FORM XQ-1 (B)

CITY OF KENTON
555 W Franklin St
Kenton, OH 43326
419-673-1355

ESTIMATED TAX PAYMENT (Business)

2nd Quarter – Due on or before June 15, 2017 for calendar yr filers
or due 15th of sixth month of fiscal year

NOTE: TAX RATE FOR 2018 IS 1.50%

Payment Enclosed \$ _____

Federal ID Number

Taxpayer's Name & Address

TAX YEAR
2017

for office use only

DATE RECEIVED _____

PAYMENT TYPE _____

FILING PERIOD 03 / 2018

AMT. REC'D \$ _____

FORM XQ-1 (B)

CITY OF KENTON
555 W Franklin St
Kenton, OH 43326
419-673-1355

ESTIMATED TAX PAYMENT (Business)

3rd Quarter – Due on or before Sept 15, 2017 for calendar yr filers
or due 15th of ninth month of fiscal year

NOTE: TAX RATE FOR 2018 IS 1.50%

Payment Enclosed \$ _____

Federal ID Number

Taxpayer's Name & Address

TAX YEAR
2017

for office use only

DATE RECEIVED _____

PAYMENT TYPE _____

FILING PERIOD 04 / 2018

AMT. REC'D \$ _____

FORM XQ-1 (B)

CITY OF KENTON
555 W Franklin St
Kenton, OH 43326
419-673-1355

ESTIMATED TAX PAYMENT (Business)

4th Quarter – Due on or before Dec 15, 2017 for calendar yr filers
or due 15th of twelfth month of fiscal year

NOTE: TAX RATE FOR 2018 IS 1.50%

Payment Enclosed \$ _____

Federal ID Number

Taxpayer's Name & Address

ESTIMATED TAX FILING INSTRUCTIONS (BUSINESS)

WHO MUST FILE A DECLARATION:

EVERY BUSINESS ENTITY conducting activities or producing taxable income within or for the City of Kenton must make a declaration.

HOW TO FILE DECLARATION:

Declaration of estimated tax for the year can be made on the Kenton City Income Tax return or directly to the City of Kenton, Division of Taxation, 555 W Franklin St, Kenton OH 43326. Use this form to file a declaration.

PAYMENT OF ESTIMATED TAX:

The estimated tax or the first quarterly payment may be paid in full with the Income Tax Return, or must be paid quarterly on or before April 15, June 15, September 15 and December 15 for calendar year businesses or by the 15th day of the fourth, sixth, ninth and twelfth months from the beginning of the fiscal year for fiscal businesses.

WHAT IS TAXABLE INCOME:

FOR RESIDENT BUSINESS OR PROFESSIONAL ENTITIES, whether sole-proprietorships, fiduciaries, estates or trusts, the term income shall be deemed to mean the net profits arising from the business activities wheresoever conducted.

□□□

2018 TAX RATE IS 1.50%

□□□

ESTIMATED TAX WORKSHEET

(KEEP FOR YOUR RECORDS - DO NOT FILE)

1. Enter total estimated Kenton taxable income..... 1. \$ _____
2. Multiply Line 1 by 1.50% (.0150) and enter here..... 2. \$ _____
3. TAX CREDITS
 - a. Enter the overpayment (carry-over) from your previous year Kenton return, if any a. \$ _____
 - b. Enter other credits b. \$ _____
4. Enter your total credits. (Add lines 3 a. and 3 b.) 4. \$ _____
5. Net Estimated Tax Due (Subtract Line 4 from Line 2)..... 5. \$ _____
6. Enter ¼ of Line 5 here, as the quarterly estimated payment. (If this computation is for less than one year, divide Line 5 by the number of quarters remaining in the year.) 6. \$ _____

PAY THE FIRST ESTIMATED PAYMENT WITH YOUR TAX RETURN.