

**CITY OF MORAINE 2014
BUSINESS INCOME TAX RETURN INSTRUCTIONS**

Office Phone: (937) 535-1026 Website: www.ci.moraine.oh.us

Mail to: 4200 Dryden Rd, Moraine, OH 45439

This form is to be used by all entities other than sole proprietorships. Single member LLC's and sole proprietors must file on the Individual Income Tax Return.

General Instructions:

If you are filing for any year other than 01/01/2014 through 12/31/2014, indicate the year of the tax return with beginning and ending dates. Fiscal year taxpayers should use the beginning year of the fiscal period as the year of the tax return. Extensions may, upon request, be granted for filing of the annual return provided an IRS extension has been secured. Extension requests must be submitted in writing and received by the tax office on or before April 15, 2015. Extension requests may be denied if the taxpayer fails to file a timely request, fails to file a copy of the federal extension request, owes any delinquent tax, penalty, interest, assessments or has failed to file any required return report or other related documents. The granting of an extension does not extend the due date for paying the tax without penalty and interest unless the City grants an extension of that date.

1. If you received a pre-printed form containing incorrect information, make the necessary corrections to the form. If the form is not pre-printed, please enter the information in the spaces provided for name, address and EIN/FID number.
2. Complete the box that pertains to the filing of a city return in the previous year, the combined corporate return question and whether or not the account should be inactivated. If the account should be inactivated, provide an explanation. If the business was sold, provide the name, address and phone number of the purchaser on a separate attachment.
3. Check the appropriate box that corresponds to the filing status of the business.
4. If you are amending a tax year, place an "X" in the box marked AMENDED and be sure to indicate the year that you are amending in the space provided. Include the Amended Federal Return or documentation pertaining to the Internal Revenue Service audit.

Part A –TAX CALCULATION

LINE 1: Enter the Adjusted Federal Taxable Income (AFTI). As defined by Ohio Revised Code (ORC) 718.01 AFTI means a C corporation's federal taxable income before net operating losses and special deductions. Other business entities must compute the AFTI as if they were a C Corporation. Generally this is the line titled "Income/(Loss) Reconciliation" on the Schedule K of the Form 1120S for Subchapter S Corporations or Line 1 page 4 of the Form 1065 Analysis of Net Income (Loss) for partnerships and Limited Liability Companies.

LINE 2: Enter the total adjustments from Schedule X.

LINE 3: Line 1 plus or minus Line 2.

LINE 4: Enter the apportionment percentage from Step 5 of Schedule Y.

LINE 5: Multiply Line 3 by Line 4.

LINE 6: Enter the amount of net operating losses apportioned to Moraine. Operating losses may be carried forward for a maximum period of five (5) tax years. Deduct Moraine rental losses and loss carry-forwards from prior years. Add Moraine rental income.
A copy of the federal schedule is required to support any adjustments made on this line.

LINE 7: Line 5 plus or minus Line 6.

LINE 8: Multiply Line 7 by 2.25% (.0225) prorated

LINE 9a: Enter the amount of estimated tax payments including any amounts paid with an extension. Businesses must remit quarterly estimates equal to 100% of the prior year's tax or 70% of the current year's tax.

LINE 9b: Enter the amount of the overpayment from prior years credited to 2014.

LINE 10: Line 9a plus Line 9b.

LINE 11: If Line 8 is greater than Line 10, enter the tax due. Amounts less than \$1.00 are not payable.

LINE 12: If Line 10 is greater than Line 8, enter the overpayment.

LINE 12a: Enter the amount to be refunded. Amounts less than \$1.00 will not be refunded.

LINE 12b: Enter the amount to be credited to tax year 2015 estimated tax liability.

Part B – DECLARATION OF ESTIMATED TAX FOR 2015

The taxpayer shall base the estimated tax on the preceding full year's tax liability, or on the preceding three-month period, annualized for the remainder of the year, and updating this estimate by amendment as necessary each succeeding three-month period so that at least 70 percent of the annual Moraine tax liability to be ultimately determined shall have been paid by the due date of each installment payment.

LINE 13: Enter the amount of estimated income for 2015. Multiply by 2.50%, then enter the total tax due for 2015.

LINE 14: Enter the amount of credits from Line 12b.

LINE 15: Enter and remit the net estimated tax due if Line 13 minus Line 14 is greater than zero.

LINE 16: The total estimated tax on Line 15 divided by 4 is the estimated tax due. The first of four quarterly estimated tax payments is due with this return. The subsequent payments are due on the 15th day of July, Oct., and Jan. after the beginning of the taxable year. Enter and remit the amount of estimated tax for the first quarter.

LINE 17: TOTAL AMOUNT DUE WITH RETURN -Combine Line 11 and Line 16

SCHEDULE X – RECONCILIATION WITH THE FEDERAL RETURN

- A. Enter the amount included in Line 1 of the Business Tax Return related to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code.
- B. Enter any taxes on or measured by net income included as a deduction in computing Line 1.
- C. Enter any guaranteed payments or similar payments made to partners, members or other owners that were deducted in arriving at the income amount on Line 1. This includes amounts related to self-employed retirement plans and health or life insurance for an owner or owner-employee.
- D. Enter 5% of the intangible income included in Line 1 of the Business tax return that is not directly related to the sale, exchange or other disposition of property described in Section 1221 or 1231 of the Internal Revenue Code.
- E. Add Real Estate Investment Trust distribution deductions allowed as a deduction in the computation of Federal Taxable Income.
- F. Other. Please provide a complete explanation. Examples: Losses from Flow-Thru Entities, Real Estate Rental Losses.
- G. Add Lines A through F.
- H. Enter the amount of the income that is included on Line 1 of the Business Tax Return that is directly related to the sale, exchange, or other disposition of an asset described in Section 1221 or 1231 or the Internal Revenue Code less the income and gain included in this amount that is described in Section 1245 or 1250 of the Internal Revenue Code.
- I. Enter the total amount of intangible income included in Line 1 of the Business tax return that is not directly related to the sale, exchange or other disposition of property described in Section 1221 or 1231 of the Internal Revenue Code.
- J. If Line 1 of the return includes other income exempt from municipal tax, enter on this Line and explain. For example, if the Federal Targeted Jobs Credit adjustment understates your salary and wage expense reported for Moraine purposes, an adjustment restoring the amount of the credit adjustment must be made in order to properly reflect total salaries and wages paid. *Attach a copy of Federal Form 5884 when filing your Moraine Tax Return.*
- K. Add Lines H-J.
- L. Deduct Line K from Line G. Insert the net amount as an addition (or deduction) on Part A, Line 2.

SCHEDULE Y – APPORTIONMENT TO MORAINE

Step 1. The original average cost of the real and tangible personal property owned or used by the taxpayer in the City of Moraine during the taxable period to the original cost of all of the real and tangible personal property owned or used by the taxpayer during the same period, wherever situated.

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.

Sum the amounts Located Everywhere and the amounts located in Moraine. Divide the Moraine total by the Everywhere total.

Step 2. Total compensation paid during the period to persons employed in the business for services performed in the City of Moraine to total compensation paid during the same period to persons employed in the business everywhere. Do not include amounts paid to contractors.

Step 3. Gross receipts of the business or profession from sales made and services performed during the taxable period in the City of Moraine to gross receipts of the business or profession during the same period from sales and services, wherever made or performed.

Step 4. Add percentages from steps 1-3.

Step 5. Divide total percentage by number of percentages used. Carry to part A, Line 4.

City of Moraine
 Income Tax Division
 4200 Dryden Rd
 Moraine, Oh 45439
 Phone: (937) 535-1026
 Fax: (937) 535-1275
 Website: www.ci.moraine.oh.us

2014 Business Tax Return
MORaine

Fiscal Period _____ TO _____

Calendar Year Taxpayers file on or before April 15th
Fiscal Year Due on 15th Day of 4th Month After Year End

(A copy of the federal extension must be filed with city before due date.)

Federal ID # _____

Contact Name: _____

Business Telephone # _____

Did you file a City return last year? <input type="checkbox"/> YES <input type="checkbox"/> NO	Is this a combined corporate return? <input type="checkbox"/> YES <input type="checkbox"/> NO	Should your account be inactivated? <input type="checkbox"/> YES <input type="checkbox"/> NO If YES, please explain:
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Name _____ And _____ Address _____ Mailing Address (If different than above) _____ _____	Filing Status (Check one) <input type="checkbox"/> C-Corporation <input type="checkbox"/> S-Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Partnership/Association <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Fiduciary (Trusts and Estates) <input type="checkbox"/> Amended Return Tax Year: _____
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If the information above is incorrect, please make corrections.

****If you have moved during tax year- Give Dates****
 INTO _____ OUT OF _____

Part A 2014 TAX CALCULATION

1.	Adjusted Federal Taxable Income (Attach Copy of Federal Return).....		\$
2.	Adjustments (From Line L, Schedule X).....		\$
3.	Taxable income before apportionment (Line 1 plus/minus Line 2).....		\$
4.	Apportionment percentage (From Step 5, Schedule Y) _____ %.....		
5.	Moraine taxable income (Multiply Line 3 by Line 4).....		\$
6.	Net operating loss carry forward (Attach Copy of Schedule).....		\$
7.	Amount subject to Moraine income tax (Line 5 plus/minus Line 6).....		\$
8.	Moraine income tax (Multiply Line 7 by 2.25% [.0225] prorated).....		\$
9 a.	Estimates paid on this year's liability.....	\$	
9 b.	Credits applied to this year's liability.....	\$	
10.	Total payments and credits (Lines 9a plus 9b)		\$
11.	Tax due (If Line 10 is less than Line 8, enter balance due).....		\$
12.	Overpayment (If Line 10 is greater than Line 8, enter overpayment)	\$	
a. Amount to be refunded \$ _____		b. Credit to next year \$ _____	
(Amounts less than \$1.00 will not be refunded)			

Part B DECLARATION OF ESTIMATED TAX FOR 2015

13.	Total estimated income subject to tax \$ _____ Multiply By Tax Rate of <u>2.5%</u> For Gross Tax of		\$ _____
14.	Less credit for prior year (from Line 12b above)	\$ _____	
15.	Net estimated tax due (Line 13 minus Line 14 if greater than zero)*.....		\$ _____
16.	Amount paid with this declaration (not less than 1/4 of Line 15).....		\$ _____
17.	TOTAL AMOUNT DUE —Combine Line 11 above with Line 16 (Make checks payable to the City of Moraine)		\$ _____

*** Subsequent estimated payments are due by the 15th day of July, Oct. and Jan. after the beginning of the taxable year.**

Check here to give us permission to contact your paid tax practitioner directly if we have questions regarding the preparation of this return.

The undersigned declares that this return (and 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, and understands that this information may be released to the Internal Revenue Service.

Signature of Person Preparing Return	Date	Signature of Officer or Agent	Date
Name of Person Preparing Return	Phone Number	Name and Title	Phone Number

SCHEDULE X—RECONCILIATION WITH FEDERAL INCOME TAX RETURN

ITEMS NOT DEDUCTIBLE	ADD	ITEMS NOT TAXABLE	DEDUCT
A. Capital Losses	\$ _____	H. Capital Gains.....	\$ _____
B. Taxes on or measured by net income	_____	I. Intangible income.....	_____
C. Guaranteed Payments to partners, retired partners, members or other owners.	_____	J. Other income exempt (Explain).....	_____
D. Expenses attributable to non-taxable income (5% of Line I.)	_____		_____
E. Real Estate Investment Trust distributions.....	_____		_____
F. Other.....	_____		_____
.....	_____		_____
.....	_____		_____
G. Total additions.....	\$ _____	K. Total deductions.....	\$ _____
L. Combine Lines G and K and enter net on Part A, Line 2 _____			

SCHEDULE Y—BUSINESS APPORTIONMENT FORMULA

		a. Located Everywhere	b. Located in Moraine	Percentage (b ÷ a)
STEP 1.	Original cost of real and tangible personal property.....	_____	_____	
	Gross annual rentals paid multiplied by 8.....	_____	_____	
	TOTAL STEP 1.....	_____	_____	%
STEP 2.	Wages, salaries, and other compensation paid *See Schedule Y-1.....	_____	_____	%
STEP 3.	Gross receipts from sales made and/or work or services performed.....	_____	_____	%
STEP 4.	Total percentages (Add percentages from Steps 1-3)			%
STEP 5.	Average percentage (Divide total percentage by number of percentages used—Carry to Part A, Line 4) **A factor may be excluded only if when it does not exist anywhere**			%

SCHEDULE Y-1 RECONCILIATION TO FORM W-3 (WITHHOLDING RECONCILIATION)

Total wages allocated to Moraine (from Federal Return or apportionment formula).....	\$ _____
Total wages shown on Form W-3 (Withholding Reconciliation).....	\$ _____

Please explain any difference:

Are there any employees leased in the year covered by this return? _____ YES _____ NO

If YES, please provide the name, address and FEID number of the leasing company.

Name: _____

Address: _____

FEID Number: _____