



CITY OF WARREN, OHIO
 INCOME TAX DIVISION
 P.O. BOX 230
 WARREN, OHIO 44482
 OFFICE:
 418 S. MAIN STREET, 2ND FLOOR
 WWW.WARREN.ORG

2005
INCOME TAX
RETURN
 (DUE APRIL 17, 2006)

- CITY OF WARREN, OHIO - INCOME TAX FORMS

DEAR TAXPAYER:

THIS IS YOUR WARREN, OHIO CITY INCOME TAX PACKAGE. TO ASSIST YOU IN FILING YOUR RETURN, WE HAVE INCLUDED **INSTRUCTIONS, THE ANNUAL RETURN IN DUPLICATE, THE DECLARATION OF ESTIMATED TAX, AND THE DECLARATION OF EXEMPTION.**

MANDATORY TAX FILING

A RETURN MUST BE FILED BY INDIVIDUALS, PARTNERSHIPS, CORPORATIONS, AND ANY OTHER ENTITY HAVING INCOME TAXABLE BY THE CITY OF WARREN. IN ADDITION, EVERY RESIDENT 16 YEARS OF AGE OR OLDER, IS REQUIRED TO FILE A CITY TAX RETURN, EVEN IF THE TAX HAS BEEN WITHHELD OR PAID TO ANOTHER CITY.

BEFORE PREPARING YOUR RETURN: READ ALL INSTRUCTIONS CAREFULLY.

AFTER PREPARING YOUR RETURN:

- **ATTACH ALL REQUIRED FORMS (W-2, FEDERAL SCHEDULES, CITY OF WARREN APPLICATION OF EXTENSION)** For all individuals, you **MUST** include a copy of your Federal Form 1040 (page 1).
- **SIGN THE RETURN, BOTH HUSBAND AND WIFE MUST SIGN A JOINT RETURN.**
- **COMPLETE THE DECLARATION OF ESTIMATED TAX FOR THE FOLLOWING YEAR, AND INCLUDE PAYMENT OF THE FIRST INSTALLMENT.**
- **INCLUDE PAYMENT OF ANY TAX DUE. VISA AND MASTERCARD ARE ACCEPTED, SUBJECT TO FEE TABLE BELOW. FEES WILL BE AUTOMATICALLY ADDED TO YOUR BALANCE CHARGED.**

A charge applies for making a payment with a Discover, MasterCard or Visa			
\$ -0-	to	\$ 100.00	\$ 5.00
\$ 101.00	to	\$ 250.00	\$10.00
\$ 251.00	to	\$ 500.00	\$15.00
\$ 501.00	to	\$1,000.00	\$20.00
\$1,001.00	to	\$2,500.00	\$30.00

- **FILE YOUR RETURN BY APRIL 17 — PLEASE NOTE THERE IS A \$30.00 LATE FILING FEE ADDED TO ALL RETURNS POSTMARKED AFTER APRIL 17, UNLESS YOU HAVE FILED FOR AN EXTENSION WITH THE CITY OF WARREN. SEE EXTENSION OF TIME TO FILE, PENALTY & INTEREST AND DECLARATION OF ESTIMATED TAX.**

IF THERE IS ANYONE IN YOUR HOUSEHOLD WHO SHOULD BE FILING AND DID NOT RECEIVE A FORM OR YOU NEED ASSISTANCE, PLEASE CALL OR VISIT OUR OFFICE AT 418 S. MAIN STREET, 2ND FLOOR, PHONE (330) 841-2551 • FAX (330) 841-2626

What Income is Subject to City Income Tax?

1. Wages, salaries and other compensation.
2. Bonuses and tip income.
3. Commissions, fees and and other earned income.
4. Sick pay.
5. Employer supplemental unemployment benefits (SUB pay).
6. Employee contributions to retirement plans.
7. Net rental income.
8. Net profits of business or profession, corporation, etc.
9. Income from partnerships, estates, trusts, and limited liability companies.
10. Ordinary gains and losses as reported on federal form 4797.
11. Distributions of S Corporations.
12. Lottery, gaming, and wagering winnings, (no minimum).

What Income is NOT Subject to City Income Tax?

1. Interest or dividend income.
2. Pension and retirement income.
3. Social Security.
4. State unemployment benefits.
5. Alimony.
6. Military pay allowances (by members of the Armed Forces of the United States).
7. Earnings of persons under 16 years of age.
8. Capital gains and losses.
9. Royalties.

Visit www.warren.org for additional information.

FORM FR SPECIFIC INSTRUCTIONS

**Attach a copy of your 1040, 1040A, or 1040 EZ (page1) to individual tax returns.
Your tax return will not be considered filed if not attached.**

INDIVIDUALS

Complete the name and address information and social security number(s) where requested. List wage information from form(s) W-2 where requested. If you have other income (income other than reported on form W-2), complete page 2. Follow line item instructions on form.

To compute your tax and final balance complete the credits section. Follow line item instructions on form. Balance due on line 9 must be paid in full. To report other income (income other than shown on form(s) W-2), complete page 2, as indicated, and attach a copy of federal schedules. Follow line item instructions.

Short Form Filers: If all your income is reported on form(s) W-2, simply complete lines 1, 1a, 1b, 1d, then skip to line 5 and complete the rest of the form. Sign the return, attach W-2's and mail in form.

Years of Age: If you turned 16 years of age during the year only the income earned after your birthday is subject to city income tax. Attach explanation with your computation.

Declaration of Exemption: If you are not subject to Warren Income Tax for the taxable year, (please see above what is taxable and what is non taxable), complete the exemption form and return to the tax office signed and dated. Those who are on welfare or A.D.C. must file the exemption form yearly.

Retired: Those who are retired and have rental property or business income must file a yearly return with the City of Warren.

Lottery, gaming, and wagering losses cannot be used to offset winnings.

Federal form 1040 (page 1) MUST be attached to your Warren City return.

Sign and date the return. A return is not considered filed unless signed.

NET PROFITS - BUSINESS

Corporations, Partnerships, S Corporations, Proprietorships, Estates and Trusts, Associations, and other business entities complete page 2 of form. Net profits shall be determined on the basis of information used for federal income tax purposes, reconciled to city taxable income.

A tax return is required is to be filed even though there is a net operating loss.

S Corporation will be treated as a partnership, for Warren City tax purposes.

Complete the name and address information, and federal employer identification number, where requested. Follow line item instructions. Proceed to page 1, line 2 to compute the tax and final balance. Attach a copy of federal schedules.

Schedule X - Reconciliation with Federal Income Tax Return. Use Schedule X on page 2 to reconcile federal taxable income to city taxable income. (This Schedule is not intended for individual or W-2 only filers.)

Schedule Y - Business Allocation Formula. Use Schedule Y to compute the portion of net profits allocable to Warren when business is conducted both inside and outside the city. If business is located in Warren and not prorated to other cities, Warren is taxable at 100%.

Schedule Z - Partners' Distributive share of Net Income: Use Schedule Z to allocate Partnership net income to partners. For assistance, contact the Income Tax Department.

OTHER

2106 Expenses: Employee Business expenses which are included on federal Form 2106 or appropriate schedule, are reported on line 1c. Recognized only when the expense incurred applies to gross earnings that are in the jurisdiction of the City of Warren. This deduction is permitted only to the extent allowed on the taxpayers Federal Income Tax Return. Federal schedule A and Form 2106 will need to be attached. Allowable expenses will be reduced by the appropriate portion of 2% of the Taxpayers Federal Adjusted Gross Income.

Business Losses: A business loss of a previous tax year shall not be allowed or carried forward to reduce the tax due in any subsequent year. Losses from any business activity or occupation not subject to withholding under the ordinance may not be deducted from income received or tax withheld for services performed for an employer or from income received from the net profits of any other business activity or occupation.

Part Year Resident: Attach computation of part year allocation, if applicable. Indicate date of move to or from Warren.

Extension of Time to File: You must file a Warren City Extension form, and pay any amount due on or before the filing deadline (April 15th) to avoid any interest or penalties; this is not an extension to pay your taxes. Attach a copy of the City Extension to the return at the time of filing. (City Extension forms furnished upon request).

Penalty and interest: Failure to file a timely return is a \$30.00 late fee, plus the following charges. Interest 1½% per month. Penalty: 5% for up to one month late, 10% for up to two months late, 15% if three or more months late.

Declaration of Estimated Tax: A declaration of estimated tax must be filed by every person and business entity whose tax is not withheld, or who anticipates tax liability. The declaration must be filed by April 15, of each year, or within four months after the beginning of the fiscal year and must be accompanied by at least 22½% of the estimated tax. The remaining installments will be billed by the City Income Tax Department.