

2020 ORRVILLE BUSINESS INCOME TAX RETURN

INSTRUCTIONS

TAX CALCULATION:

- Line 1 Enter the Adjusted Federal Taxable Income from the appropriate federal forms: 1120, 1120S, (Schedule K), 1065 (Analysis of Net Income/Loss)
- Line 2 Enter net adjustments from Schedule X, on page 2.
- Line 3 Add or subtract line 2 to line 1. This is Adjusted Federal Taxable income before apportionment.
- Line 4 Enter the unutilized NOL (if applicable) from previous year.
(The amount of NOL that can be utilized in years 2018-2019 is limited to 50%, per ORC 718.01(D).)
- Line 5 Subtract line 4 from line 3. This is the Municipal taxable income before apportionment.
- Line 6 Complete Schedule Y and enter the average % from step 5.
- Line 7 Multiply the MTI on line 5 by the percentage from Schedule Y, step 5. This is the amount of Orrville Taxable Income.
- Line 8 Multiply line 7 by 1.00% (.0100)
- Line 9 Enter any current year estimated tax payments and carryforward credit from previous year.
- Line 10 Subtract line 9 from line 8. This is the tax due. If line 9 is greater than line 8, there is an overpayment. If tax due is less than \$10., payment is not required.
- Line 11 Enter the amount of overpayment to be refunded.
- Line 12 Enter the amount of overpayment to be carried forward to next year.
- Lines 13 - 15 Calculate late filing and interest penalties if applicable.
- Line 16 Add lines 10, 13, 14 and 15.

DECLARATION OF ESTIMATED TAX FOR NEXT YEAR:

- Line 17 Enter your estimate of the amount of income that will become taxable to Orrville in the next year.
- Line 18 Multiply line 17 by 1.00% to determine tax due for next year.
- Line 19 Multiply the amount on line 18 by 22.5% to determine the amount of the first quarter payment.
- Line 20 Enter the amount of credit carried forward from line 12 above.
- Line 21 Add lines 16 and 19, then subtract line 20. This is the total due with the return.

FILING THE COMPLETED RETURN:

Mail the completed return with copies of all supporting documentation and payment of any amount due, to:

CITY OF ORRVILLE, OHIO
INCOME TAX DEPARTMENT
PO BOX 61
ORRVILLE, OH 44667

City of Orrville, Ohio, Income Tax
Information for Declaration of Estimated Tax

Effective in 2016, a declaration of estimated tax must be filed by every taxpayer that anticipates owing more than \$200 for the next taxable year. Once the declaration is filed, the taxpayer is responsible for making quarterly tax payments.

For individuals, the declaration is located on the lower half of page 1, on the Individual Tax Return (IR). Complete lines 16 – 20. If, after completion, the amount shown of line 17, less line 18 exceeds \$200, quarterly payments are required. Payments are due according to the following schedule:

First quarterly payment is due with the filing of the tax return on April 15. (25% of the tax liability is due)

Second quarterly payment is due on June 15. (25% due, minimum of 45% of annual liability)

Third quarterly payment is due on September 15. (25% due, minimum of 67.5% of annual liability)

Fourth quarterly payment is due on or before January 15 of the following taxable year. (25% due, minimum of 90% of annual liability)

Estimated tax payment coupons (Q1) are available on the City's website: www.orrville.com

For businesses, the declaration is also located on the lower portion of page 1, of the Business Net Profit Tax Return (NP). Complete lines 17 – 20. If, after completion, the amount on line 18 exceeds \$200, quarterly payments are required. Payments are the same as the individual schedule, with the exception that the fourth quarter payment is due on or before December 31 of the current tax year.

This amendment to the City's tax ordinance was mandated by the passage of State House Bill 5. See ORC 718.08