



Income Tax Department

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H.B. 5 - BUSINESS INFORMATION

Pursuant to the passage of Amended Substitute House Bill 5 in December 2014, new state-mandated municipal income tax guidelines have been established, **effective with tax years beginning January 1, 2016**. Chapter 718 of the Ohio Revised Code can be found at: <http://codes.ohio.gov/orc/718>. Please reference this document to determine how the new state-mandated changes affect your municipal taxable income.

BUSINESSES

The list below provides those items that may have an impact on businesses earning income or employing individuals within the City of Tipp City.

- **EMPLOYEE WITHHOLDING**
 - For information about new withholding requirements click [here](#).

- **NEW PENALTY AND INTEREST RATES**
 - For information about new penalty and interest rates click [here](#).

- **NET PROFIT RETURNS**
 - Allowed a net operating loss carry forward for five (5) years starting on or after January 1, 2017, 50% deduction from 2018 through 2022, fully deductible from 2023.

 - Allocation of net profit/loss.

 - Returns are due on or before the fifteenth day of the fourth month following the end of the taxpayer's taxable year or period, unless on extension.

 - An extension may be filed to submit an accurate return, not to exceed six (6) months from the original filing due date. A copy of the extension should be included when the return is filed, unless previously submitted.

 - Partnerships operating in and/or with a physical location in Tipp City are required to withhold and pay income taxes on behalf of the partners.