

## 2019 Tipp City Individual Income Tax Return Instructions

Please include the following documents with your Tipp City income tax return:

- The first two pages of your Federal return and Federal Schedule 1
- Federal Schedules C (business), E (rent/partnership) and F (farm) if applicable
- W-2 forms, 1099-MISC (if not reported on a Schedule C) and 1099-G forms (gambling)

Please note that the income and/or credits reported on your Tipp City return should be supported by some type of documentation. Unsupported amounts may delay the processing of your return.

### Section A

#### 2019 Tax Calculations

**Line 1:** Enter total amount of qualifying wages (usually found in box 5 of your W-2, if box 5 is blank, use the highest wage found on the W-2). If you have multiple W-2's, you can use worksheet A on page 2 of the return to generate totals. Attach originals or copies of all the W-2's to your return.

**Line 2:** Enter total other income (or loss) from worksheet B on page 2 of the return. Attach all appropriate Federal schedules and documentation. Losses reported on line 2 may not be used to offset W-2 income reported on line 1, but may be carried forward and used to reduce future taxable "other income."

Net Operating Loss (NOL) Information – Tipp City taxpayers who have income from sources other than wages, may deduct a loss carry-forward from tax year 2017 or 2018 and use it to offset other taxable income (not wages) reported on their 2019 Tipp City return. The amount of loss that can be used is currently limited to 50% of the loss or 50% of the income, whichever is less. You may reference Ohio Revised Code Section 718.01 (D) (3) for additional information or you may call the tax department at 937-667-8426 for assistance in determining the amount your allowable NOL deduction.

**Line 3:** Add the amounts reported on lines 1 and 2 (only add line 2 if it is positive). This is your total taxable income.

**Line 4:** Multiply the amount reported on line 3 by 1.5%. This is the total tax due before credits.

**Line 5a:** Enter the total amount of Tipp City tax withheld from your W-2's. If you have multiple W-2's, you can use worksheet A on page 2 of the return to generate totals. Attach originals or copies of all the W-2's to your return.

**Line 5b:** Enter the allowable amount of income tax withheld or paid to another municipality. Tipp City residents may claim a non-refundable credit for city income taxes paid to the work city. The amount of credit shall not exceed the tax due to Tipp City on the same income. Attach supporting documentation in the form of W-2s or tax returns submitted to the other municipalities. If you have multiple W-2's, you can use worksheet A on page 2 of the return to generate totals. Attach originals or copies of all the W-2's to your return.

**Line 5c:** Enter the amount of estimated tax payments and/or prior-year credits. You can view your total payments and credits at <https://www.municonnect.com/tippcity/login.aspx> or you may call the tax department at 937-667-8426 to obtain your total.

**Line 6:** Add the amounts reported on lines 5a, 5b and 5c. This is your total credit.

**Line 7:** Subtract line 6 from the amount reported on line 4. A positive result indicates the amount of tax due. No tax is due if this amount is \$10.00 or less. If the result is negative, enter a zero on line 7 and proceed to line 8.

**Line 8:** If line 6 is greater than line 4, you have an overpayment. If the overpayment amount is \$10.00 or less, no refund or credit will be issued. For amounts greater than \$10.00, please indicate the amount to be refunded and or credited to the next year's taxes directly below line 8.

**Line 9a:** A taxpayer can be subject to underpayment penalty and interest whenever an insufficient amount of estimated income taxes are not paid on or before the due date of the last quarterly installment. Estimated tax payments are required

whenever the amount of taxes due is expected to be \$200 or more. The penalty is 15% of the amount underpaid and interest on underpaid taxes filed in year 2020 will be assessed at .58% per month.

**Line 9b:** If filed after the due date, enter the amount of penalty due. The penalty is 15% of the amount due on line 7.

**Line 9c:** If filed after the due date, enter the amount of interest due. The interest rate for late returns filed in 2020 is .58% per month (7% per annum).

**Line 9d:** If filed after the due date without a valid extension, a late filing penalty may be imposed at the rate of \$25 per month (or fraction thereof) not to exceed \$150. This penalty is due in addition to all other penalty and interest and is imposed even if no tax is due.

**Line 10:** Add the amounts reported on lines 9a, 9b, 9c and 9d. This is your total penalty, interest and late filing fee.

**Line 11:** Add the amounts reported on lines 7 and 10. This is the balance of tax, penalty, interest and late filing fees due. No payment is due if this balance is \$10 or less.

## Section B

### 2020 Declaration of Estimated Tax

**(Must be completed by taxpayers who anticipate owing \$200 or more in Tipp City income tax in 2020.)**

**Line 12:** Enter the amount of estimated income for 2020 multiplied by the tax rate of 1.5%.

**Line 13:** Enter the total amount of Tipp City and other city tax withheld or paid.

**Line 14:** Line 12 less line 13. If the result is less than \$200, estimated payments are not required.

**Line 15:** Multiply line 14 by 25% to determine the amount of estimated tax due for the first quarter.

**Line 16:** Enter the amount of credit carryforward from 2019.

**Line 17:** Enter the net estimated tax due for the first quarter of 2020 (line 15 minus line 16). Payment is not required at this time if the amount due is less than \$10.00.

**Total due with this return:** Add line 11 and line 17. Make checks payable to Tipp City Tax. Online payments can be made on our website via electronic check, credit card or debit card. A convenience fee will be added to all online payments. To pay online visit [www.tippcityohio.gov](http://www.tippcityohio.gov), click on Services, Tax Information, Make a Tax Payment and then on payment portal.

**Sign and date your return.** Your Tipp City return is not considered a complete return unless you sign it and attach all applicable W-2 forms and federal tax documents. If you are filing a joint return, your spouse must also sign.

**Disclaimer:** Directions are instructional only. The Tipp City Income Tax Code and the Ohio Revised Code supersede any interpretation presented.

Mail completed returns with attachments to:

Tipp City Tax Department  
260 S. Garber Dr.  
Tipp City, OH 45371

Questions can be directed to the tax department anytime Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. using the contact information below:

Phone: (937) 667-8426  
Fax: (937) 667-6734  
Email: [incometax@tippcity.net](mailto:incometax@tippcity.net)