



CITY OF DUBLIN, OHIO
Division of Taxation
P. O. Box 9062
Dublin, Ohio 43017-0962
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DUBLIN INDIVIDUAL INCOME TAX RETURN INSTRUCTIONS 2004

**Additional Forms Available at
www.dublin.oh.us**

WHO MUST FILE: Every Dublin resident eighteen years of age and older must file a Dublin Income Tax Return. Every person earning income in Dublin not subject to the withholding of Dublin income tax must also file an annual Dublin Income Tax Return. See page two of the instructions for a list of items that are not taxed. If a person is under 18 and employed with Dublin city tax withheld, a return must be filed, with proof of age, to receive a refund. Any person or unincorporated business having income within the City is required to file a return.

FILING STATUS: Taxpayers who prepare their federal and state tax returns using the "married filing separate" status to lower their overall tax liability may still file a joint return for the City of Dublin. Filing a joint return will neither increase nor decrease your City of Dublin tax liability.

WHEN AND WHERE TO FILE: This return must be filed on or before April 15th. Make checks or money orders payable to **CITY OF DUBLIN** and mail to: **Dublin Income Tax Division, PO Box 3550, Dublin, Ohio 43016-0274.**

If the deadline cannot be met, a copy of the Federal request for extension or a letter requesting an extension which includes name, address, social security or federal identification number **MUST BE FILED WITH THE INCOME TAX DIVISION BY THE ORIGINAL DUE DATE OF THE RETURN.** An extension request is not an extension of time to pay. Payment of any estimated tax due should accompany the extension request. If no extension is filed, penalty and interest charges will apply. A copy of the extension request should also be attached to the return when it is filed.

PARTIAL YEAR RESIDENTS: If you only lived in Dublin during part of the taxable year, you must file a tax return covering that time. Report the amount of income you earned while you lived in Dublin. Pay statements with year-to-date figures or a statement from your payroll department must be used if available. When the actual amount you earned while living in Dublin cannot be determined, you may break down your earnings by the number of months employed at the job arriving at a monthly earnings figure. Use the monthly earnings figure multiplied by the number of months of residency to find your taxable amount. If you pro-rate your income, you must also pro-rate your city tax that was withheld on the same income. Attach a worksheet explaining your calculations.

ESTIMATED TAX PAYMENTS: Every person who anticipates any taxable income which is not subject to withholding of income tax or who engages in any business, profession, enterprise or activity subject to Dublin taxation shall file and pay estimated tax, if the amount of tax estimated is \$100 or more. Such payments are due on April 15, July 31, October 31, and January 31 of the following year. The first estimated tax form is found at the bottom of the income tax return. Estimated payment vouchers for 2nd, 3rd and 4th quarters are available at www.dublin.oh.us or by calling the Tax Division. A declaration and payment of estimated tax which is less than ninety percent (90%) of the tax shown on the final return or less than one hundred percent (100%) of the previous year's tax shall not be considered in good faith and the difference shall be subject to penalties and interest.

PENALTIES AND INTEREST: Penalty and interest for late filing, failure to file, late payment or underpayment of estimated tax, shall be imposed at the rate of 10% penalty and 18% interest (1.5% per month or fraction thereof) as provided by ordinance. Failure to file a timely tax return may result in a maximum penalty of \$100 per tax year. No penalty for failure to pay estimated tax will apply to an entity (individual, corporate or association) whose tax for the year, after credit for tax withheld, is less than \$100.

PAYMENTS UNDER ONE DOLLAR: Payments of less than one dollar and one cent (\$.01) of net tax due are not required to be paid, nor will refunds of less than one dollar and one cent (\$.01) be made.

TAXABLE INCOME:

- A. For RESIDENTS,** taxable income includes all salaries, wages, commissions, bonuses, tips and other compensation regardless of where it was earned. Taxable income also includes the net profits of all unincorporated businesses such as real estate and equipment rentals, sole proprietorships and your share of partnership income (whether distributed or not). These unincorporated business profits are taxable regardless of where the business was conducted. You may be entitled to a credit for taxes paid to the city where the income was earned.
- B. For NONRESIDENTS,** taxable income includes all salaries, wages, commissions, bonuses, tips and other compensation earned in the City of Dublin. Taxable income also includes the net profits of all unincorporated businesses such as real estate and equipment rentals, sole proprietorships and your share of partnership income (whether distributed or not) if the business was conducted in the City of Dublin. Taxable wages are calculated before **ANY DEDUCTION.** Wages for city tax purposes may differ from the Federal wages reported on your W-2 (generally Box 5 of your W-2 forms). City taxable wages include all wages that may be deferred or excluded from Federal and State wages. Treat disability income as wages unless it is received from Worker's Compensation or from insurance paid by you. Passive activity losses are deducted the year incurred; carryforwards are not allowed for city tax purposes. Income from intangibles (interest and dividends you received) are not taxable.

NON-TAXABLE INCOME: Non-taxable income includes military pay, reserve pay, income earned while under age 18, alimony, capital gains/losses, interest, dividends, social security benefits, welfare payments, annuities at the time of distribution, pension income, royalties derived from intangible property and income which the City is specifically prohibited from taxing.

EMPLOYEE BUSINESS EXPENSES: Employee business expenses, as defined on Federal Form 2106, may be deducted against income subject to city taxation. If income is allocated between cities, 2106 expenses should likewise be allocated, and tax credit reduced accordingly. Federal Form 2106 **MUST** be included with return.

MOVING EXPENSE REIMBURSEMENT: (follow Federal rules but nonreimbursed expenses are not deductible).

UNINCORPORATED BUSINESS ACTIVITY: The net loss from an unincorporated business activity may not be used to offset salaries, wages, commissions or other compensation. However, if a taxpayer is engaged in two or more taxable business activities to be included on the same return, the net loss of one unincorporated business activity, except any portion of a loss separately reportable for municipal tax purposes to another taxing entity, may be used to offset the profits of another for purposes of arriving at overall net profits.

S-CORPORATIONS: The City of Dublin does not recognize corporate income at the individual level. S-Corporations doing business in Dublin must file a City of Dublin Business Income Tax Return. Distributions from S-Corporations are not taxable nor losses recognized at the individual level.

AMENDED RETURNS: Amended returns are accepted by completing an income tax return with the words "Amended Return" written in red ink across the top and the year being amended. There is a three-year limitation on amended returns for refunds.

REFUNDS: A special refund form is required to be filed for taxpayers who have income tax withheld in error or those non-residents who spend time outside Dublin, yet have Dublin tax withheld on their entire income. Refunds must be filed within three years of the date the taxes were due. No special refund form is necessary for Dublin residents (with the exception of under 18), any refund requested by a Dublin resident should be made on their Dublin tax return.

DISCLAIMER: Definitions and instructions are illustrative only. Chapter 35 of the Dublin Codified Ordinance supersedes any interpretation presented.

ATTACHMENTS REQUIRED WITH ALL RETURNS: W-2'S AND FEDERAL SCHEDULES

INSTRUCTIONS FOR PREPARING CITY OF DUBLIN INCOME TAX RETURN

Line 1.	Enter total amount of wages, salaries and other employee compensation. If you have multiple W-2's or 2106 expenses, complete Worksheet A on back of return. Attach all W-2's and 1099's.
Line 2.	Enter 2106 expenses from Worksheet A, Column 3E. When you reduce income earned in another city by 2106 expenses, you must also reduce the tax withheld by the same percentage. Form 2106 MUST be attached.
Line 3.	Subtract line 2 from line 1.
Line 4.	Enter the amount of other income from schedules C, E or O from the back of the return, but not less than -0-. Attach appropriate schedules and documentation.
Line 5.	Add lines 3 and 4.
Line 6.	Use this space to enter income exempt from taxation from Schedule X on the back of the return. This would include part-year resident income and any other income included on line 5 which is not taxable. Please attach appropriate documentation.
Line 7.	Subtract line 6 from line 5.
Line 8.	Multiply line 7 by 2% (.02)
Line 9.	Enter tax withheld for Dublin from W-2's.
Lines 10 & 11.	Enter any estimated payments or prior year credits.
Lines 12 & 13.	Enter other city credits from Worksheet A, W-2's or other city returns. Attach appropriate documentation verifying credits.
Line 14.	Add lines 9 through 13.
Line 15.	Subtract line 14 from line 8. If line 14 is less than line 8, enter balance due. If line 14 is greater than line 8, skip lines 16, 17 and 18 and enter overpayment on line 19.
Lines 16 & 17.	Enter penalty and interest, if applicable.
Line 18.	Add lines 15, 16 and 17.
Line 19.	If line 14 is greater than line 8, enter overpayment.
Line 20 & 21.	Indicate disposition of overpayment either by refunding or crediting the overpayment to next year.
Lines 22 through 27	Complete only if you are required to make estimated payments. Estimated payments are required for those individuals who anticipate any taxable income which is not subject to withholding of income tax or where the income tax is not fully paid to another city. If Line 24 is less than \$100, no estimate payment is required.
Line 28.	Enter amount from line 18.
Line 29.	Add line 27 and line 28. Make checks payable to the City of Dublin.

TAXABLE "OTHER COMPENSATION"

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| <ul style="list-style-type: none"> • Bonuses, stipends and tip income • Compensation paid in property or the use thereof at fair market value to the same extent as taxable for federal tax purposes and so indicated on the W-2 form. • Contributions made by or on behalf of employees to a qualified deferral plan (401K, 403b, 457b, etc.) – taxed at the year earned, deferral not permitted. Exception: employer matching contributions offered under a cafeteria plan are not taxable. Deferrals even under a cafeteria plan are always taxable. • Contributions made by or on behalf of employees to a tax-deferred annuity or stock purchase plan (includes any plan where employee has the option to defer). • Contributions made by or on behalf of employees to a non-qualified deferred compensation plan. • Cost of group term life insurance | <ul style="list-style-type: none"> over \$50,000.00 (unless part of a cafeteria plan). • Director's fees. • Disability pay if received as a benefit from employment (includes third party plan). • Adoption assistance payments (unless part of a cafeteria plan). • Excess employee discounts. • Golden parachute payments. • Income from guaranteed annual wage contracts. • Income from jury duty. • Income from wage continuation plans (includes retirement incentive plans and buy-outs). • Income received as a result of a covenant or agreement not to compete. • Interest on below market loans. • Moving expense reimbursements (follow Federal rules but non-reimbursed expenses are not deductible). | <ul style="list-style-type: none"> • Pre-retirement distributions from retirement plans (except previously taxed income from deferred plans). • Gambling/lottery winnings (losses not deductible). • Prizes, awards and gifts – if connected with employment. • Profit Sharing. • Royalties (unless derived from registered copyrights, patents or trademarks). • Severance pay. • Sick and/or vacation pay. • Stock bonus incentive plans. • Stock options. • Strike benefits paid by employer. • Supplemental unemployment pay paid by employer. • Taxes paid by employer on employee's behalf. • Union steward fees. |
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NON-TAXABLE INCOME

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| <ul style="list-style-type: none"> • Alimony. • Annuities – at time of distribution. • Capital gains. • Interest. • Dividends. • Housing for clergy. • Income earned while under 18 years of age. • Income of religious, fraternal, charitable, scientific, literary or educational | <ul style="list-style-type: none"> institutions to the extent such income is derived from tax-exempt real estate, tax exempt tangible or intangible property or tax-exempt activities. • Insurance benefits – unless your employer paid the premiums. (Pro-rating is allowed if you paid a portion of the premiums.) • Meals and lodging required on premises. • Military pay including reserve pay. • Non-resident subchapter S corporation | <ul style="list-style-type: none"> income to a resident shareholder. • Patent and copyright income. • Pension income – includes lump sum distributions. • Royalties – if derived from intangible property. • Social Security benefits. • State unemployment benefits. • Welfare payments. • Worker's Compensation. |
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Above lists are not all-inclusive. For items not listed, contact the Division of Taxation for clarification at (614) 410-4460.