# GENERAL INFORMATION

**WHO MUST FILE**

All corporations, partnerships, trusts, estates or other entities residing in and/or conducting business in, performing services in, or deriving income (or loss) from activities in the City of Franklin.

Partnerships, joint ventures, associations or other business owned by two or more persons and residing in and/or conducting business in Franklin are required to file city returns on an entity basis.

This form is for use by business entities only. Individual residents or non-residents having Franklin income (or losses), who file as sole proprietors, use Federal Schedule C or have other types of income must obtain an Individual Form IR from the Income Tax Department.

**AMENDED RETURNS**

An amended return is necessary for any year in which an Amended Federal return is filed or in which your Federal Tax liability has changed. An amended return must be filed within ninety days of the filing date of any amended Federal return and must include a copy of the Amended Federal return.

**EXTENSIONS**

Extensions are not granted on an automatic basis.

An extension of time to file does not give you an extension of time to pay. Interest and penalty will be assessed on any tax balance remaining due after the original due date.

The Ordinance makes no provision for extension on the current year's estimate, which must be filed and any amount due paid by the due date.

A copy of the Federal Extension is due on or before April 15th or 4 months after fiscal year.

**OPERATING LOSSES**

Certain operating losses may be carried forward 1 year under the provisions of the City Income Tax Ordinance.

**CONSOLIDATED RETURNS**

The Income Tax Department may require or disallow the filing of a consolidated return when certain transactions, apportionment of expenses or other devices appear to distort the net profits allocable to Franklin. To produce a fair and proper allocation of net profits, such transactions may be adjusted.

**PENALTY & INTEREST**

Late filing fees ($30.00), plus penalty and interest are assessed on any unpaid tax liability after the due date of the return.

Penalty – Based on a monthly (2%) rate prescribed by the Income Tax Ordinance.

Interest – Based on a monthly (1%) rate as prescribed by the Income Tax Ordinance.

Please contact the tax office for current rates.

**SUPPORTING DOCUMENTS**

Documentation is necessary to verify all amounts of taxable or non-taxable incomes, expenses and deductions, as applicable.

Additional forms, schedules or computations may also be needed to support your city return in certain circumstances.

**WHEN & WHERE TO FILE**

Returns must be filed on or before April 15th or within 4 months after the fiscal year end with the City of Franklin Income Tax Department, 1 Benjamin Franklin Way, Franklin, OH 45005-2478

Any tax due must be paid when filed. Checks or money orders should be payable to City of Franklin Income Tax and should accompany this return.
Incomplete returns or returns received without signatures or without proper supporting information will not be accepted; thereby creating potential penalty or interest assessments or delays in refund processing.

**FORMS**

Forms can be obtained from the tax office or from our website at www.franklinohio.org.

# INSTRUCTIONS 2014

**NAME & ADDRESS**

Complete the name and address information, and federal employer identification number where requested. Indicate the type of business entity and attach explanation if "other" is indicated.

**LINE 1:** Total taxable income from Federal Form 1120, 1120S, 1065 or appropriate federal schedules. Schedules and/or supporting documentation must be attached.

**LINE 2 AND LINE 3:** Use Schedule X to reconcile federal taxable income to city taxable income, when necessary. Schedule X adjustments should be included on Lines 2 and 3.

**LINE 4:** Combine amounts on Lines 2 and 3 and show the excess on Line 4. Show negative amounts in parentheses.

**LINE 5:** Total taxable income plus or minus Schedule X adjustments.

**LINE 6:** Amount allocable to Franklin (from Schedule Y computation). The Business Allocation Formula, Schedule Y, is used to compute the portion of net profits allocable to Franklin when business is conducted both inside and outside of the city. A business allocation formula consisting of the average of property, gross receipts and wages paid may be used by business entities not required to pay tax on entire net profits by reason of doing business both inside and outside of Franklin. However, if the books and records of the taxpayer shall disclose with reasonable accuracy the net profit attributable to Franklin, then only this portion shall be considered as having a taxable situs in Franklin.

**LINE 7:** Less allocable loss per previous tax return (Limit 1 year loss carry forward).

**LINE 8:** Amount of income subject to Municipal Income tax is computed by multiplying Line 5 by percentage on Line 6, minus line 7 if applicable.

**LINE 9:** Franklin Tax Due - Line 8 multiplied by 2%.

**LINE 10:** Show total estimated payments made.

**LINE 11:** Prior Year overpayment is amount of tax overpaid in prior year, not refunded, but transferred for use on the liability for this year.

**LINE 12:** Add lines 10 and 11 for total credits.

**LINE 13:** Subtract Line 12 from Line 9 to compute the balance of tax due. If Line 12 is more than Line 9, proceed to Line 14.

**LINE 14:** If Line 12 is more than Line 9, then an overpayment exists. Enter the overpayment on Line 14.

**LINE 15:** If Line 14 is $3.00 or more, then you may have the overpayment applied to your next tax year or refunded. Indicate your choice on Line 15. No indication will result in an overpayment credit to next tax year. Refunds will be processed in order of date received.

**LINE 16:** Penalty and interest are applied to any balance due if not paid by the original due date of return. An extension will not exempt penalties and interest from a balance due.

**LINE 17:** Adjusted Balance Due (Add Lines 13 & 16).

**LINE 18:** Indicate the amount of estimated tax due. You may base the estimate either on current year tax due Line 13 or actual estimated amounts for next tax year.

**LINE 19:** Prior year credit.

**LINE 20:** Line 18 minus Line 19 divided by 4 is amount of quarterly payment due.

**LINE 21:** Line 17 plus Line 20. This amount is due within 4 months after fiscal year end.

**SIGNATURE:** The tax return must be signed and dated.

If someone other than the taxpayer completes this return, sign as preparer and show address and Federal Identification Number. Indicate by checking yes or no if we may contact your tax preparer regarding this return.

**ACCOUNT INFORMATION UPDATE**

Complete this form annually to provide our office with current information.

**ASSISTANCE**

For assistance in completing this return, or if you have any questions, please contact the Income Tax Department, Office hours are 8:30 AM to 5:00 PM Monday through Friday. Phone (937) 746-9921.