Reset Form

Sample Form
Not actual taxpayer data

Ohio | Department of Taxation
Rev. 11/15

2015 Ohio IT BUS – Business Income Schedule

15260106

Include on this Ohio IT BUS schedule any income included in federal adjusted gross income that constitutes business income. See R.C. 5747.01(B). On page 2 of this schedule, list the sources of business income and your ownership percentage. Include the IT BUS schedule with Ohio IT 1040 if filing by paper (see instructions if filing electronically).

Social Security no. of primary filer: 000 00 0000

Check to indicate which taxpayer earned this income: ✔ Primary ☐ Spouse

Part 1 – Business Income From IRS Schedules

Note: Do not include amounts listed on these IRS schedules that are nonbusiness income. See R.C. 5747.01(C).

1. Schedule B – Interest and Ordinary Dividends	1.		0 0
2. Schedule C – Profit or Loss From Business (Sole Proprietorship)	2.	18765	0 0
3. Schedule D – Capital Gains and Losses	3.		0 0
4. Schedule E – Supplemental Income and Loss to include guaranteed payments and/or compensation from each pass-through entity in which you have at least a 20% direct or indirect ownership interest. **Note:** Reciprocity agreements do not apply	4.		0 0
5. Schedule F – Profit or Loss From Farming	5.		0 0
6. Other items of income and gain separately stated on federal Schedule K-1 and miscellaneous federal income tax adjustments, if any	6.		0 0
7. Total of business income (add lines 1 through 6)	7.	18765	0 0

Part 2 – Business Income Deduction

8. All business income (enter the lesser of line 7 above or Ohio IT 1040, line 1; cannot exceed federal adjusted gross income). If -0- or negative, stop here and do not complete Part 3	8.	18765	0 0
9. Multiply line 8 by 75% (.75) and enter here	9.	14074	0 0
10. Enter $187,500 if filing status is single or married filing jointly; OR Enter $93,750 if filing status is married filing separately	10.	187500	0 0
11. Enter lesser of line 9 or line 10. Enter here and on Ohio Schedule A, line 12	11.	14074	0 0

Part 3 – Taxable Business Income

Note: If Ohio IT 1040, line 5 = -0-, do **not** complete Part 3.

12. Line 8 minus line 11 (if less than -0-, enter -0-)	12.	4691	0 0
13. Taxable business income (enter the lesser of line 12 above or Ohio IT 1040, line 5). Enter here and on Ohio IT 1040, line 6	13.	4691	0 0
14. Business income tax liability (see instructions for business income tax tables). Enter here and on Ohio IT 1040, line 8b	14.	23	0 0

Do not write in this area; for department use only.

Ohio Department of Taxation
Rev. 11/15

2015 Ohio IT BUS – Business Income Schedule

15260206

Social Security no. of primary filer

000 00 0000

Part 4 – Business Entity

If you have more than 18 entities, complete additional copies of this page and include with your income tax return.

	Name of entity	FEIN/Social Security no.	Percentage of ownership
1.			.
2.			.
3.			.
4.			.
5.			.
6.			.
7.			.
8.			.
9.			.
10.			.
11.			.
12.			.
13.			.
14.			.
15.			.
16.			.
17.			.
18.			.

Ohio Schedule IT BUS is solely for use in determining taxable business income and business income tax liability for purposes of completing the Ohio IT 1040 individual income tax return. See Ohio Revised Code sections (R.C.) 5747.01(A)(31), 5747.01(B) and 5747.01(HH).

This schedule and instructions apply to all individual taxpayers who have business income. This schedule is used for recording all business income that is reported on IRS schedules B, C, D, E and F as well as any other items of business income and gain separately stated on federal Schedule K-1 and miscellaneous federal income tax adjustments, if any.

Enter on this schedule the combined business income amounts from all sources. List the separate business entities on Part 4 on the back of the schedule.

Submit the IT BUS with the paper-filed Ohio IT 1040. If you are filing electronically, the IT BUS will be included in your software package.

This schedule is only used for individual taxpayers filing the Ohio IT 1040. Pass-through entities and trusts should not use this schedule.

Definitions

Business Income and Nonbusiness Income
"Business income" means income, including gain or loss, arising from transactions, activities and sources in the regular course of a trade or business and includes income from real, tangible and intangible property if the acquisition, rental, management and disposition of the property constitute integral parts of the regular course of a trade or business operation. Also, "business income" consists of income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill (R.C. 5747.01(B)).

In general, income, deductions, gains and losses recognized by a sole proprietorship or a pass-through entity are items of business income.

"Nonbusiness income" means all income other than business income and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends, distributions, patent or copyright royalties, and lottery winnings, prizes and awards (R.C. 5747.01(C)). Nonbusiness income should be excluded from the figures reported on this schedule.

See *Kemppel v. Zaino*, 91 Ohio St.3d 420 (2001).

Business Income From IRS Schedules (Part 1)

Important: Include on all lines only those items of business income that are included in the calculation of federal adjusted gross income. For example, losses that must be carried forward to future years due to federal rules should not be included on this schedule for the current year. A taxpayer **cannot** simply list the amounts on these federal schedules on Ohio IT BUS.

Line 1 – Schedule B, Interest and Ordinary Dividends
Enter on this line only taxable interest and ordinary dividends reported on federal Schedule B that qualify as business income. Generally, interest and dividend income can only qualify as business income if it is generated from the regular course of trade or business (i.e., the primary business purpose is investing) or if it is generated from working capital and reinvested into the business.

Line 2 – Schedule C, Profit or Loss from Business
Enter on this line the amount on your federal 1040, line 12. If the amount entered is negative, place a negative sign ("-") in the box provided.

Line 3 – Schedule D, Capital Gains and Losses
Enter on this line only capital gains or losses reported on federal Schedule D that qualify as business income. Gains or losses reported on this line must be those that are generated in the ordinary course of business, from assets integral to the taxpayer's business operation, or from working capital and reinvested into the business. Gains or losses, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill should also be included on this line. If the amount entered is negative, place a negative sign ("-") in the box provided.

Example: A farmer sells a tractor used in his wheat farming operation that generates a capital gain. The wheat cannot be harvested without use of the tractor. Since the tractor was integral to the taxpayer's business operations, the capital gain can be reported on this line.

Line 4 – Schedule E, Supplemental Income and Loss
Enter on this line your net business income or loss reported on federal Schedule E. Also include guaranteed payments and/or compensation paid to you by a pass-through entity (S corporation, partnership, limited liability company treated as a partnership for income tax purposes, etc.) in which you have at least a 20% direct or indirect ownership interest. I.R.C. section 318 attribution rules do not apply. Reciprocity agreements do not apply. If the amount entered is negative, place a negative sign ("-") in the box provided.

If your net amount from federal Schedule E includes guaranteed payments from a pass-through entity in which you have less than a 20% direct or indirect ownership interest, those payments **must** be deducted from the amount entered on this line.

Line 5 – Schedule F, Profit or Loss From Farming
Enter on this line the amount on your federal 1040, line 18. If the amount entered is negative, place a negative sign ("-") in the box provided.

Line 6 – Other Business Income
Enter on this line any items of business income or loss included in your federal adjusted gross income that were not entered on lines 1 through 5. Include on this line any amounts reported on federal 4797 that constitute business income. If the amount entered is negative, place a negative sign ("-") in the box provided.

For information about miscellaneous federal tax adjustments, see our Web site at www.tax.ohio.gov/other/Update.aspx.

Business Income Deduction (Part 2)

Line 8 – All Business Income
Enter on this line the lesser of line 7 from this schedule or your federal adjusted gross income (Ohio IT 1040, line 1).

If the amount entered on line 8 of this schedule is -0- or negative, stop here and do not complete the rest of the schedule. You do not have a business income deduction or any taxable business income.

Line 11 – Business Income Deduction
Enter on this line the lesser of line 9 or line 10. This is your business income deduction. Enter this amount on Ohio Schedule A, line 12.

Taxable Business Income (Part 3)

Line 13 – Taxable Business Income
Enter on this line the lesser of line 12 from this schedule or Ohio adjusted gross income less exemptions (Ohio IT 1040, line 5). Enter here and on Ohio IT 1040, line 6.

Line 14 – Business Income Tax Liability
Using the income tax table below, calculate your tax on your taxable business income (line 13). This table reflects the maximum 3% rate applicable to business income. Enter here and on Ohio IT 1040, line 8b.

Business Entity (Part 4)

List the name, FEIN/SSN, and your ownership percentage of each entity from which you received business income or loss. If you have more than 18 sources of business income, attach additional pages to this schedule.

2015 Income Tax Table 3

The business income tax table reflects the maximum 3% rate.
You must round your tax to the nearest dollar.

Ohio Taxable Business Income (Ohio IT BUS, line 13)			2015 Ohio Business Income Tax (enter on Ohio IT BUS, line 14 and IT 1040, line 8b)			
0	–	$ 5,200			0.495%	of Ohio taxable business income
$ 5,200	–	$ 10,400	$ 25.74	plus	0.990%	of the amount in excess of $ 5,200
$ 10,400	–	$ 15,650	$ 77.22	plus	1.980%	of the amount in excess of $ 10,400
$ 15,650	–	$ 20,900	$ 181.17	plus	2.476%	of the amount in excess of $ 15,650
$ 20,900	–	$ 41,700	$ 311.16	plus	2.969%	of the amount in excess of $ 20,900
$ 41,700	–	or more	$ 928.71	plus	3.000%	of the amount in excess of $ 41,700

Federal Privacy Act Notice
Because we require you to provide us with a social security account number, the *Federal Privacy Act of 1974* requires us to inform you that your providing us your Social Security number is mandatory. Ohio Revised Code sections 5703.05, 5703.057 and 5747.08 authorize us to request this information. We need your Social Security number in order to administer this tax.