

VILLAGE OF CARROLL
INCOME TAX DEPARTMENT
121 E. SIXTH AVE., SUITE 105
LANCASTER, OHIO 43130-2595

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VILLAGE OF CARROLL INCOME TAX RETURN

ADDRESS SERVICE REQUESTED

Enclosed is your Village of Carroll Income Tax Return. The Tax Return must be filed by April 15.

Send all correspondence to: **Village of Carroll
Tax Administrator
Timothy E. Oatney, C.P.A.
121 E. Sixth Ave., Suite 105
Lancaster, Ohio 43130-2595**

If you have any questions regarding the Village of Carroll Returns, please call the Tax Administrator's office at 740-687-1192.

A representative from the Carroll Income Tax Department will also be available to answer your questions and to be of assistance to you on the last Saturday of January, February, and March at the office of **Oatney & Associates CPA's Inc., 121 E. Sixth Ave., Lancaster, Ohio** from 9:00 a.m. to 12:00 noon.

The second Friday of April, a representative will be available to assist you **at the office of the Village Clerk in Carroll** from 9:00 a.m. to 12 noon.

Many Happy Returns,

Timothy E. Oatney
Tax Administrator

INSTRUCTION FOR PAGE 1

VILLAGE FORM R, CARROLL INCOME TAX RETURN

Forms and instruction can be found on the Web at www.tax.ohio.gov/divisions/municipalities/index.stm

If the return is made for a period other than the calendar year, insert the beginning and ending date of the period.

Only one return is to be filed by each taxpayer. State the name or names under which you operate and the location and type of each place of business.

Each taxpayer, whether or not a tax is due and whether or not a tax or taxes have been deducted or withheld from a taxpayer, **shall make and file a Carroll Village Income Tax Return**. If you do not owe any Carroll tax you may be eligible for Form R-1. See Form R-1 for eligibility requirements.

TAXABLE INCOME

1. Gross salaries, wages, bonuses, commissions, fees, tips, self-employment earnings, vacation pay, disability and sick pay of persons 18 or older are taxed as follows:
 - a. If resident of Carroll, all such income wherever earned.
 - b. If non-resident, only to the extent earned in Carroll.
2. Net profits of a business are taxed as follows:
 - a. If a resident of Carroll, all net profits are taxed.
 - b. If a non-resident of Carroll, the net profits attributed to the municipality under the formula of separate accounting method provided for in Schedule Y.

W-2's MUST BE ATTACHED TO RETURN

Line 1. List in this section the name of each employer for whom you worked, where you worked, and the total compensation, (before payroll deductions) received from each employer. Put total wages in Line 1A. (Box 5 on W-2 for most taxpayers.)

Line 2. If income other than wages are taxable, Page 2 is necessary. Federal Schedules must be attached.

PROFIT OR LOSS FROM BUSINESS

Even though they are able to show that they had no taxable income, all such entities whether residents or non-residents, who are engaged in the operation of a business for profit, some portion of which can be attributable to activities conducted in Carroll, must file a return showing the net profits or loss reported in their Federal Income Tax Return. Business losses may only be taken against equal or greater amount of other unincorporated business income earned in the same village or against other unincorporated business income taxed by city of residence. A net operating loss in Carroll may be carried forward for five years.

INCOME FROM RENT

This section corresponds to the rent Schedule E. of Federal Form 1040. Rental losses are not deductible.

INCOME FROM OTHER SOURCES

Report in this section any other income you may have which is subject to Carroll tax. For example, a Carroll resident may be a member of a partnership not located or doing business in Carroll. Such a partnership, as a business entity,

is not required to file returns and pay the tax. This Carroll resident nevertheless, is subject to tax on the income he enjoys from that partnership and must report the income. List fees that are not included as part of the net profits of the trade, business or profession, tips, bonuses and partnership income on which the tax has not been paid by the partnership entity. A Carroll resident's income from an S-Corp not located or doing business in Carroll is not taxable by the Village of Carroll.

LINE 5.

- (A) Carroll residents who paid tax to another municipality on income earned in that municipality may reduce their Carroll Tax due on THAT INCOME by 25%. (.25 multiplied by the Carroll tax due on income on which tax is paid to another municipality.) If the tax rate in the other municipality is less than 3/4%, the credit is 25%. (.25) of the tax paid to the other municipality.
- (B) Enter the total Carroll tax withheld by employer.
- (C) Enter amount(s) paid on Declaration of Estimated Carroll Tax.
- (D) Enter prior year overpayment if not refunded.

LINE 6.

Enter difference between tax on Line 4 and Credits on Line 5E. If Line 5E exceeds Line 4 enter difference on Line 9 as Overpayment.

LINE 7.

Delinquent returns and payments are subject to a penalty of 1-1/2% per month or fraction thereof and interest of 1/2% per month or fraction thereof.

LINE 8.

Enter total amount due. The amount shown to be due MUST be paid with the return. Check or money orders should be made payable to VILLAGE OF CARROLL.

LINE 9.

If Line 5E is greater than Line 4, enter the difference here which indicates an overpayment. Show whether you want the over-payment credited to your next year's estimate or refunded.

AMOUNTS OF THREE DOLLARS (\$3.00) OR LESS
SHALL NOT BE COLLECTED OR REFUNDED.

SIGNATURE

Sign and date your return before submitting it to the Income Tax Department. A return is not filed within the meaning of the law, until signed by taxpayer or an agent legally authorized to sign tax returns for such taxpayer. If the return is prepared by someone other than the taxpayer, such person should also sign the return.

DUE DATE

Each return is due April 15. Businesses with a fiscal year end are due on the fifteenth (15th) day of the fourth (4th) month following the fiscal year end.

VILLAGE OF CARROLL, OHIO

TAX ADMINISTRATOR, TIMOTHY E. OATNEY, C.P.A.
121 E. SIXTH AVE., SUITE 105 - LANCASTER, OHIO 43130-2595
(740) 687-1192 - Fax (740) 687-1343
www.tax.ohio.gov/divisions/municipalities/index.stm

FORM R
VILLAGE OF CARROLL
Annual Income Tax Return
DUE APRIL 15

Cashier's Validation

FOR THE CALENDAR YEAR 20__
FISCAL PERIOD
20__ to 20__

Check your status as a taxpayer:

- Individual Partnership
Corporation Fed. I.D. No.
Other (explain)

Filing required even if no tax is due.

NAME AND ADDRESS: IF INCORRECT, PLEASE CHANGE.

Social Security No.

Social Security No. (Spouse)

Residency Status - Check Only One

- Resident Nonresident
Part-Year Resident - From to

(Joint Returns Are Permissible)

1. ENTER TOTAL COMPENSATION RECEIVED BEFORE ANY PAYROLL DEDUCTIONS.

Table with 3 columns: Print Employer's Name, City Where Employed, Wages, etc. (Box 5, W-2)

ATTACH W-2 (City Copy)

1A. TOTAL: IF NO OTHER TAXABLE INCOME, COMPUTE YOUR TAX ON LINE 4. TOTAL WAGES, ETC. =
2. Profit or Loss from Income Other Than Wages From Page 2, Line 15. (ATTACH COPY OF FEDERAL SCHEDULES)
3. Total Taxable Income (Add Line 1A and Line 2)
4. TAX - Multiply Taxable Income by .75% (Line 3 x .0075)
5. Credits: (A) Carroll residents who pay tax to another municipality... (B) Carroll Tax withheld... (C) Payments made on Declaration of Estimated Tax... (D) Prior Year Overpayment... (E) TOTAL OF CREDITS A+B+C+D=
6. Tax Less Credits [Line 4 Less Line 5(E)] (If overpayment, see line 9) TAX DUE OR OVERPAID
7. Add Penalty \$; and Interest \$ if paying after due date.
8. Total Amount Due. PAYMENT TO ACCOMPANY RETURN IF \$3.01 OR MORE TO "VILLAGE OF CARROLL"
9. OVERPAYMENT TO BE REFUNDED \$ OR CREDITED \$ TO NEXT YEAR'S ESTIMATE.

THE UNDERSIGNED DECLARES THAT THIS RETURN (AND ACCOMPANYING SCHEDULES) IS A TRUE, CORRECT AND COMPLETE RETURN FOR THE TAXABLE PERIOD STATED AND THAT THE FIGURES USED HEREIN ARE THE SAME AS USED FOR FEDERAL INCOME TAX PURPOSES.

Signature of Person Preparing if Other Than Taxpayer (Date)

X Signature of Taxpayer (or Agent) Required (Date)

Address or Name and Address of Preparer if Other Than Taxpayer

X Signature of Spouse (If Joint Return) (Date)

UNLESS YOUR EMPLOYER WITHHOLDS CARROLL TAX, AN ESTIMATED TAX DECLARATION MUST BE COMPLETED AND PAID TO AVOID PENALTY. ESTIMATED TAX PAYMENTS MUST BE MADE PER ORDINANCE. SEE FORM E-1 AND INSTRUCTIONS.

THIS FORM MUST BE FILED; HOWEVER, AMOUNTS OF THREE DOLLARS (\$3.00) OR LESS SHALL NOT BE COLLECTED OR REFUNDED.

PAGE 2 – FORM R

THIS SECTION TO BE COMPLETED ONLY BY THOSE WITH PROFIT OR LOSS FROM INCOME OTHER THAN WAGES

- 10. ALLOWABLE PRIOR YEAR LOSS CARRY FORWARD TO CURRENT YEAR (Attach year-by-year details) 10 \$ _____
- 11. PROFIT OR LOSS FROM ANY BUSINESS OWNED (from Sch X, line 5 below) 11 \$ _____
- 12. RENTAL INCOME (Attach Federal Schedule E, Part I) &/or Farm Income (Attach Federal Schedule F) 12 \$ _____
- 13. PASS-THROUGH INCOME (Attach Federal Schedule E, Parts II to V) (Report only income not already taxed by Carroll at entity level) 13 \$ _____
- 14. OTHER INCOME (Attach Federal 1040 Pg 1) (1099-MISC, Form 4797 Ordinary Income) 14 \$ _____
- 15. TOTAL OTHER TAXABLE INCOME (Add Lines 10 to 14). If positive, enter on line 2, page 1. If negative, enter zero. 15 \$ _____

Attach any Adjusting Schedules or Worksheets including Pages 1 and 2 of Sch C & F; Pages 1 to 4 of 1120, 1120S, 1065, 1041

SCHEDULE X Business Income Schedule (including resident pass-through income)

- 1. INCOME PER FEDERAL RETURN C Corp: Form 1120, S Corp: Form 1120S, Partnership: Form 1065, Trust: Form 1041, Self-employment: Sch C., Farm: Sch F, \$ _____
- 2. A. ITEMS NOT DEDUCTIBLE (From Line J Below) Add _____
 B. ITEMS NOT TAXABLE (From Line P Below) Deduct _____
 C. ENTER EXCESS OF LINE 2A OR 2B \$ _____
- 3. ADJUSTED NET INCOME (Line 1, Plus or Minus Line 2C) \$ _____
- 4. ALLOCATION PERCENTAGE, LINE 5, SCHEDULE Y (If applicable) %
- 5. TAXABLE INCOME (Line 3 x Line 4) Enter on Line 11, 12 or 13 (above) as applicable \$ _____

ITEMS NOT DEDUCTIBLE	ADD	ITEMS NOT TAXABLE	DEDUCT
A. Capital/Ordinary IRS Section 1231 losses deducted	_____	K. Capital/IRS Section 1231 gains, etc.	_____
B. 5% of expenses not attributable to sale, exchange or other disposition of IRS Section 1221 property	_____	L. Interest earned or accrued	_____
C. Tax based on income	_____	M. Dividends	_____
D. Guaranteed payment to partners	_____	N. Income from patents, etc.	_____
(not included within net profits)		O. Other exempt income (attach documentation or explanation) ..	_____
E. Charitable contributions deducted above corporate limitations including O.R.C. 718.01 (A) (1) (g)	_____		_____
F. IRS Section 179 expense deducted above corporate limitations including O.R.C. 718.01 (A) (1) (g)	_____		_____
G. Qualified retirement, health ins. and life ins. Plans on behalf of owners/owner employees	_____		_____
H. Adjustment for specially allocated expense items	_____		_____
I. Other expenses not deductible (attach documentation or explanation)	_____		_____
J. TOTAL ADDITIONS (enter on Line 2A above)	_____	P. TOTAL DEDUCTIONS (enter on Line 2B above)	_____

SCHEDULE Y Business Allocation Formula *

	a. LOCATED EVERYWHERE	b. LOCATED IN THIS MUNICIPALITY	c. PERCENTAGE (b ÷ a)
STEP 1. Average Net Book Value of Real and Tangible Personal Property	_____	_____	
Gross Annual Rentals Paid Multiplied by 8	_____	_____	
Total Step 1	_____	_____	%
STEP 2. Wages, Salaries, and Other Compensation Paid	_____	_____	%
STEP 3. Gross Receipts from Sales Made and/or Work or Services Performed	_____	_____	%
4. Total Percentages	_____	_____	%
5. Average Percentage (Divide Total Percentages by Number of Percentages Used)	_____	_____	%

* This schedule is applicable only to entities doing business both within and without Carroll.

SCHEDULE Z Partner's Share of Net Income

NAME AND CITY OR TOWNSHIP OF EACH PARTNER	2 Resident		3 Dist. Shares of Partners		4 Other Payments	5 Taxable Percentage	6 Amount Taxable
	Yes	No	Percent	Amount			
7 TOTALS			100	\$			

Line 7 of this schedule represents 100% of the net income of the partnership for the taxable period. A copy of Federal Form 1065 and related schedules may be attached in lieu of completing the schedule. If any member of the partnership is entitled to allocate his portion of the partnership income by reason of being non-resident, Schedule Y and Z must be completed. If this schedule is used, itemize each member's distributive share of net income. Rental losses are not deductible. Business losses may only be taken against equal or greater amount of other unincorporated business income earned in the same village or against other unincorporated business income taxed by city of residence.

DECLARATION OF ESTIMATED CARROLL INCOME TAX FOR THE CALENDAR YEAR 20_____

VILLAGE OF CARROLL • TAX ADMINISTRATOR, TIMOTHY E. OATNEY, C.P.A.
121 E. SIXTH AVE., SUITE 105 • LANCASTER, OHIO 43130-2595
(740) 687-1192 - Fax (740) 687-1343
www.tax.ohio.gov/divisions/municipalities/index.stm

Fiscal Period _____ 20_____ to _____ 20_____

NAME AND ADDRESS: IF INCORRECT, PLEASE CHANGE

[Empty box for name and address]

Check your status as a taxpayer:

- Resident Nonresident
- Employee Professional Proprietor Corporation
- Partner Partnership Other _____

Computation of Estimated Tax:

1. Estimated income subject to Carroll Income Tax 1 \$ _____
2. Estimated Tax Due: .0075% of Line 1 2 \$ _____
3. Less Carroll Tax to be withheld 3 \$ _____
4. Balance of estimated Carroll Tax Declared 4 \$ _____
5. Credits:
 - a. Overpayment from prior year credited to estimate \$ _____
 - b. If Carroll resident, .001875 Carroll Tax due on wages that are subject to tax in another city \$ _____
 - c. Total credits 5 \$ _____
6. Net tax due (Line 4 Less Line 5) 6 \$ _____
7. AMOUNT PAID WITH THIS RETURN (Not less than 45% of Line 6.) 7 \$ _____
8. Balance due after this payment. 8 \$ _____

Social Security No. _____ Fed. I.D. No. _____

Please answer the following questions:

1. City of Residence _____
2. City of Employment _____
3. Employer's Name _____

The undersigned declares this to be a true, correct and complete Declaration of Estimated Carroll Income Tax for the period stated.

X _____ (Signature and Title) (Date)

X _____ (Signature and Title) (Date)

MAKE REMITTANCE TO THE VILLAGE OF CARROLL

Calender Year taxpayer file with Income Tax Office by **July 31**
Fiscal Year taxpayer file by the 15th day of the 6th month of Taxpayer's taxable year.

DECLARATION OF ESTIMATED CARROLL INCOME TAX FOR THE CALENDAR YEAR 20_____

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The undersigned declares this to be a true, correct and complete Declaration of Estimated Carroll Income Tax for the period stated.

X _____ (Signature and Title) (Date)

X _____ (Signature and Title) (Date)

MAKE REMITTANCE TO THE VILLAGE OF CARROLL

Calender Year taxpayer file with Income Tax Office by **January 31**. Fiscal Year taxpayer file by the 15th day of the 12th month of Taxpayer's taxable year.

GENERAL INSTRUCTIONS

1. **PURPOSE OF DECLARATION:** The purpose of the Declaration is to enable certain taxpayers as specified in Item 2 below, to estimate their taxable income and to provide a basis for paying the tax. Such taxpayers must also file an annual return of actual taxable income and pay any balance of tax due. The rate of the Carroll Income Tax is .0075 percent of all taxable income.

2. **WHO MUST MAKE A DECLARATION**

a Every resident of the Village of Carroll who expects to receive taxable income, wherever earned, from which the Village of Carroll Income Tax will not be withheld.

b Every nonresident of the Village of Carroll who expects to receive taxable income, earned or derived from the Village, from which the Village of Carroll Income Tax will be not withheld.

c Every business entity, such as corporations, partnerships, fiduciary of active trusts, unincorporated businesses or professional entities conducting activities or producing income from within the Village.

3. **WHEN AND WHERE TO FILE DECLARATION:**

Payment of Estimated Tax: **CALENDAR YEAR TAXPAYERS** must file on or before July 31. Taxpayers not previously subject to paying the tax, but becoming subject after January 1, shall file a declaration within 213 days of the date they become subject to the tax.

Payment of the balance due of the estimated tax is due on or before January 31 of the next year. Fiscal year taxpayers shall file declarations on or before the 15th day of the sixth month and twelfth month after the beginning of the taxable year.

4. **INTERESTS AND PENALTIES:**

Any installment remaining unpaid ten (10) days after it becomes due shall be liable to a penalty of one and one-half percent (1½%) per month or fraction thereof and interest of one-half (½%) percent per month or fraction thereof.

5. **VIOLATIONS:**

Any person who shall fail, neglect or refuse to make any return or declaration required shall be guilty of a misdemeanor and shall be fined not to exceed \$500.00.

6. **AMENDMENTS TO DECLARATION:**

If your income changes materially (at least 20% more or less) from the estimate made on your original declaration an amended declaration is to be filed. Write across the Face of the return the word "Amended" and put the figures as you have recomputed your estimate to be.

INSTRUCTIONS TO PREPARE FORM D COMPUTATION OF ESTIMATED TAX

Line 1. Enter the total estimated taxable income. Include all income subject to Carroll Tax, such as salaries, wages, commissions, etc. before any payroll deductions, net income from business, profession, rental and other sources. A taxpayer's final return for the preceding year may be used as a basis for computing his declaration of estimated tax for the current year. In the event a taxpayer has not previously been required to file a return, a declaration of estimated tax on anticipated income shall be filed in good faith. (A declaration of estimated tax which is less than 80% of the tax as shown on the final return shall not be considered filed in good faith.)

Line 2. Enter Estimated Carroll Tax which is .0075 of Line 1.

Line 3. Deduct the amount of tax, if any, which will be withheld for Carroll by your employer.

Line 4. This is the amount of tax declared. (Lines 2 less Line 3)

Line 5.

a. Overpayment from prior year which you had credited to this year's estimate.
b. If Carroll resident, .001875 of Carroll tax due on wages that are subject to tax in another city.

c. Total credits.

Line 6. Subtract Line 5 from Line 4. This is your net tax due.

Line 7. Enter amount you are paying with the filing of your Declaration not less than forty five percent (45%) of Line 6. **Make check payable to Village of Carroll.**

Line 8. If you are not paying the tax in full enter balance due after this payment.

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