

# McComb Income Tax General Instructions

## Form R-EZ

**Section 1. Who may use Form R-EZ:** Resident individual taxpayers whose sources of income are from wages, business income (Federal Schedule C), rental income (Federal Schedule E), or farm income (Federal Schedule F), partnership income (Federal Schedule K) and the income does not require apportionment between municipalities. All other taxpayers must use Form R.

**Section 2. Who must file:** A return must be filed by all Residents over the age of eighteen (18) on December 31 of the respective tax year. All partnerships, corporations, and any other entity having income subject to the McComb Village Income Tax. A credit will be allowed for tax paid to another municipality (not to exceed 1% of the income taxed by such other municipality).

**Section 3. When and where to file:** Taxpayers who's taxable ends on December 31 must file on or before April 30 of the following year. Taxpayers on a fiscal year or partial year basis must file within 120 days following the end of such period. Returns are to be filed with the Village of McComb Income Tax Department, c/o First Federal Bank, McComb, OH 45858.

**Section 4. What income is taxable:** The McComb Income Tax at the rate of one percent (.01) is levied on the following:

- A. On all salaries, wages, commissions and other compensation earned by resident individuals of the Village of McComb.
- B. On all salaries, wages, commissions and other compensation earned by non-resident individuals of the Village of McComb, for work done or services performed or rendered in the Village of McComb.
- C. On the net profits attributable to McComb of all resident unincorporated businesses, professions, and other activities derived from work done, rentals, or services rendered or performed, and business or other activities conducted in the Village of McComb.
- D. On the portion of the distributive share of the net profits of a resident individual, partnership or owner of a resident unincorporated business entity not attributable to McComb and not levied against such unincorporated business entity.
- E. On the net profits attributable to McComb of all non-resident unincorporated businesses, professions or other activities, derived from work done, rentals or sales made, or services performed or rendered and business or other activities conducted in the Village of McComb.

F. On the portion of the distributive share of the net profits earned, if a resident individual, partner, or owner of a non-resident unincorporated business entity not attributable to McComb and not levied against such unincorporated business entity.

G. On the net profits of all corporations derived from work done sales made, or services performed or rendered and business or other activities conducted in the Village of McComb.

**Section 5. What constitutes net profit:** Net profit is the income from the operation of a business, or enterprise and from the use of property, after the provision of all ordinary and necessary expenses either paid or accrued, in accordance with the accounting system used by the taxpayer for Federal Income Tax purpose, adjusted to the requirements of the McComb Income Tax Ordinance (i.e. Taxes based on income, are not deductible).

**Section 6. Change in tax liability:** An amended McComb Return is required within three months days of the final determination of any changed tax liability resulting from a Federal audit, judicial decision or other circumstance.

**Section 7. Penalties and interest:** Penalty and interest for late filing or failure to file shall be imposed as provided by the Village Ordinance.

**Section 8. Signature of taxpayer:** All returns require the signature of the appropriate taxpayers, or in the case of business taxpayers, their authorized agents.

**Section 9. Tax Forms:** All returns, reflecting income, require the the attachment of W-2's reflecting city income tax withheld and the appropriate Federal Income Tax forms and schedules.

### Section 10. Exempt incomes

- A. Funds received because of service in the Armed Forces of the United States.
- B. Poor relief, pension distributions, Social Security benefits, unemployment compensation and disability benefits either private or public.
- C. Gains from involuntary conversions, capital gains, patronage refunds, dividends and interest income.
- D. Income of all persons under 18 years of age on December 31 of the respective tax year.

**Section 11. Payment of Tax:** The total amount due must be paid when the return is filed. Checks or money orders should be made payable to the Village of McComb.

**Section 12. Retired Persons:** Retired residents whose only sources of income are exempted (see Section 10) need only to file a return with a notation, "Retired no earned income" then sign and date the return.

