

SPRINGFIELD BECKLEY JEDD

GENERAL INFORMATION

1. WHO MUST FILE

All corporations, partnerships, trusts, estates or other entities conducting business in, performing services in, or deriving income (or loss) from activities in the Springfield Beckley JEDD.

Partnerships, joint ventures, associations or other businesses owned by two or more persons and conducting business in the JEDD are required to file returns on an entity basis.

A return must be filed by any entity engaged in a business or profession in the JEDD. A return shall be filed whether or not there is tax due.

Form BTR-J is for use by Business entities only. Individuals earning income in the JEDD who file as sole proprietors, use Federal Schedule C, or have other types of income must file an Individual JEDD return form.

2. STATUS CHANGES

Taxpayers with name, address or other status changes must file those changes with the Division of Taxation within 30 days of the change.

3. 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 (90) days of the filing date of any amended Federal return and must include a copy of the amended Federal return.

4. WHEN AND WHERE TO FILE

Returns must be filed within 3 1/2 months after the fiscal year-end with the City of Springfield, Division of Taxation, P.O. Box 5200, Springfield, OH 45501.

Any tax due must be paid when filed. Checks or money orders should be made payable to the City of Springfield and should accompany this return.

Incomplete returns (returns received without signatures or without proper supporting information) may not be accepted; thereby creating potential penalty and/or interest assessments or delays in refund processing.

5. EXTENSIONS

Any taxpayer that has duly requested an automatic six month Federal extension shall automatically receive the same extension for filing the JEDD return. A copy of the Federal extension form must be attached to the JEDD return when it is filed. An extension of time to file is not an extension of time to pay. Interest and penalties will be imposed on any tax balance remaining due after the original due date.

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

6. OPERATING LOSSES ***NEW***

Beginning in tax year 2017, Net Operating Losses (NOL) may be carried forward and 50% of such NOL may be deducted from net income beginning in tax year 2018 and forward, to not more than 5 consecutive tax years.

7. CONSOLIDATED RETURNS

The Division of Taxation 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 the City of Springfield. To produce a fair and proper allocation of net profits, such transactions may be adjusted.

8. ROUNDING OFF TO WHOLE DOLLARS

Rounding off to whole dollars is permitted. Eliminate any amount less than fifty cents and increase any amount from fifty cents through ninety-nine cents to the next higher dollar.

9. RULES FOR DECLARATION OF ESTIMATED TAX

An annual declaration of estimated tax must be filed by every business entity who estimates owing more than \$200. The declaration must be filed on or before the 15th day of the fourth month of the taxable year, and must be accompanied by at least 22.5% of the estimated tax due. The remaining installments due dates are: 15th day of the sixth month of the taxable year; 15th day of the ninth of the taxable year; and the 15th day of the twelfth month of the taxable year. Failure to file and pay estimated taxes in timely quarterly installments may result in penalty and interest charges.

Penalty and interest charges will not be made when the total estimated tax payments, received in timely quarterly installments, are at least 90% of the final tax liability or are at least 100% of the previous year final tax liability, and paid by the 15th day of the twelfth month of the taxable year.

10. PENALTIES AND INTEREST FOR TAX YEAR 2016 AND FORWARD

Filing year Penalties are charged:

- For Failure To Pay The Tax When Due (15%).
- For Late Filing of Tax Returns: \$25.00 per month for each month the return is late, with a maximum of \$150.00.

Interest is charged for failure to pay the tax when due. Interest is assessed on any tax liability remaining unpaid after the due date at the Federal short term rate plus 5%.

For Under-Payment of Estimated Tax - If the total tax liability is at least \$200.00 and at least 90% of the tax liability or 100% of the prior year tax liability is not paid by the fifteenth day of the twelfth month of the fiscal year, penalty and interest will be assessed on the estimated tax that should have been paid.

11. 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 JEDD tax return in certain circumstances.

INSTRUCTIONS

NAME AND ADDRESS

Complete the name and address and federal employer identification number where requested. If the name and address are not correctly shown, make any necessary changes. 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 return. **Federal return with schedules and supporting documentation must be attached.**

LINE 2: Use Schedule X to reconcile federal taxable income to City taxable income, when necessary. Net Schedule X adjustment (Line z) should be entered on Line 2. Show negative amounts in parentheses.

LINE 3: Combine amounts on Lines 1 and 2 and enter net amount on Line 3. Show negative amounts in parentheses.

LINE 4: Enter the allowable net operating loss (NOL) carry-forward from the prior tax year using the calculation below:

- Prior year NOL () \times 50% = ()
- Form BTR-S, Line 3 () \times 50% = ()

Enter lesser of Line (a) or (b) on Form BTR-S, Line 4

LINE 5: Subtract line 4 from Line 3 and enter on Line 5. This is the amount of your pre-apportioned Net Profit as defined by ORC 718.01(D).

LINE 6: Amount allocable to the Springfield Beckley JEDD. If the Business Apportionment Formula is used, the amount of income subject to Municipal income tax is computed by multiplying Line 5 by percentage on Line 6. The Business Apportionment Formula, Schedule Y, is used to compute the portion of net profits allocable to the JEDD when business is conducted both inside and outside of the JEDD. A business apportionment formula consisting of the average of property, gross receipts, and wages paid must be used by business entities not required to pay tax on entire net profits by reason of doing business both inside and outside the JEDD. If the books and records of the taxpayer shall disclose with reasonable accuracy the net profit attributable to the JEDD, then only this portion shall be considered as having a taxable situs in the Springfield Beckley JEDD.

NOTE: Gross receipts from sales in the JEDD (Step 2) means:

- All sales of tangible personal property which is shipped from purchasers outside of the JEDD regardless of where title passes if the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.
- All sales of tangible personal property which is delivered within the JEDD regardless of where title passes, even though transported from a point outside the JEDD if the taxpayer is regularly engaged, through its own employees, if the solicitation and the sales result from such solicitation or promotion.
- All sales of tangible personal property which is delivered within the JEDD regardless of where title passes, if shipped or delivered from a stock of goods within the JEDD.

LINE 7: JEDD Tax Due – Line 6 multiplied by 1%.

LINE 8: Show total estimated payments made applicable to this tax year.

LINE 9: Prior Year Overpayment is the amount of tax overpaid in prior year, not refunded, but transferred for use on the liability for this year.

LINE 10: Add Lines 8 and 9 for total credits.

LINE 11: Subtract Line 10 from Line 7 to compute the balance of tax due. If Line 7 is more than Line 10, indicate tax due and proceed to Line 15. If Line 10 is more than Line 7, proceed to Line 13. There is no need for payment if the tax due is \$10.00 or less.

LINE 12: Refer to 'Penalties and Interest' in General Information for calculation or this section will be completed by the Division of Taxation if penalty and interest charges are applicable.

LINE 13: If Line 10 is more than Line 7, an overpayment exists. Enter the overpayment on Line 13.

LINE 14: If Line 13 is more than \$10.00, you may have the overpayment applied to the next tax year or refunded. Indicate your choice on Line 14. No indication will result in an overpayment credit to next year. Refunds will be processed in order of date received and mailed within a maximum of ninety (90) days of receipt of a complete return.

LINE 15: Indicate the amount of estimated tax due for the next year. You may base the estimate either on prior year JEDD tax (Line 7) or estimated amounts for current year.

LINE 16: Multiply Line 15 by 25%.

LINE 17: Show the overpayment from Line 14 if so indicated. The overpayment as shown on Line 14 of this return is applied to the first quarterly payment. If the overpayment is greater than the first quarterly payment, the difference will apply to the next quarter due.

LINE 18: Line 16 minus Line 17.

LINE 19: Add Lines 11, 12, and 18. This amount is due no later than the 15th day of the fourth month of the taxable year.

SIGNATURE: The tax return must be signed and dated.

The taxpayer (or authorized person) must sign and date the return on the appropriate lines. If someone other than the taxpayer completes the return, they should sign as tax preparer and show address and phone number. Indicate by checking yes or no if we may contact your tax preparer regarding the preparation of the return. By checking yes, you are authorizing your tax preparer to correspond with the tax office regarding the processing of the return, missing information, status of refunds or payments, and to respond to tax office notices.

ASSISTANCE

For assistance in completing this return, or if you have any questions, please contact the City of Springfield, Division of Taxation, PO Box 5200, Springfield, OH 45501. Office hours are 8:00 AM to 5:00 PM Monday through Friday. Phone: (937) 324-7357. Fax: (937) 328-3471.