

VILLAGE OF BLUFFTON, OHIO

INCOME TAX RETURN - FILING INSTRUCTIONS

- **Who Must File:** All residents and businesses having taxable income (or loss if planning on carrying it over) under the terms and conditions of the local ordinances regardless of whether tax is due or not. The Village of Bluffton implements a mandatory filing policy of all residents. The appropriate Exemption Form must be submitted if no taxable income was earned during the tax year. Failure to file either the return or exemption form will result in filing penalties.
- **Filing Date:** Taxpayer returns or copy of taxpayer's federal extension, in lieu of return, must be filed by April 15th, or 3½ months after the end of the taxpayer's fiscal year.
(NOTE: Fiscal year applies to businesses only.)
- **Remittance:** Remittance of tax shall be by check or money order and made payable to the Village of Bluffton. (No payment is due if tax amount is less than \$1.00. No refund will be issued if refund amount is less than \$1.00).
- **Mailing:** Mail taxpayer final returns, complete with W-2's, 1099's, and/or appropriate schedules, to:
Bluffton Income Tax Department
P.O. Box 228
Bluffton, OH 45817-0228
- **Extensions:** Must be filed with this office prior to April 15th. Extensions received after April 15th will NOT BE APPROVED.
TAXPAYERS FILING AFTER DATE DUE WILL BE ASSESSED A LATE FEE AS PROVIDED IN THE TAX ORDINANCE. LATE FEE IS ASSESSED WHETHER OR NOT A TAX SHALL BE DUE.
(SEE GENERAL INFORMATION #8 BELOW)
- **Assistance:** For questions not answered in the General Information below, please call 419.358.2066.

GENERAL INFORMATION FOR FILING

1. TAX RATE:

- a. The Village of Bluffton, OH tax rate is 1.25% (effective 01-01-2006)

2. WHO SHOULD FILE THIS RETURN:

- a. All residents 16 years or older are required to file a return with the Tax Office, whether or not a tax amount is due. Additionally, any changes of address must be reported on the tax return.
- b. Submit proper exemption form if no taxable income was earned in the tax year. NOTE: If you intend to carryover a loss earned in the tax year, you must submit a return reporting the loss to be eligible for the carryover.
- c. Retired residents may be relieved of the annual filing requirements by submitting the PERMANENT CERTIFICATION OF NO TAXABLE INCOME form for approval.

3. INCOME TAX IS LEVIED UPON THE FOLLOWING.

- a. On all salaries, wages, commissions, rentals, and other personal compensation received by Bluffton, OH residents or received by non-residents of Bluffton, OH for work done, rentals, or services performed or rendered within the Municipality.
- b. On the net profits of all unincorporated businesses, partnerships, professions, rentals, farm income, or other activities conducted by residents, and non-residents for activities within the Municipality.
- c. On the net profits of all corporations derived from work done or services performed or rendered and business or other activities conducted in the Municipality.

4. WHAT CONSTITUTES NET PROFITS:

- a. Net profits shall be determined on the basis of the information used for federal income tax purposes, adjusted to the requirements of the Income Tax Ordinance.

5. INCOME NOT TAXABLE:

- a. Poor relief, unemployment insurance benefits from state, old age pensions, or similar payments received from local, state, or federal governments or charitable or religious organizations.
- b. Proceeds of insurance, annuities, worker's compensation insurance, social security benefits, pensions, compensations for damage for personal injuries and like reimbursement, not including damages for loss of profits.
- c. Compensation for damage to property by way of insurance or otherwise.
- d. Interest and dividends from intangible property.
- e. Military pay and allowance received as a member of the armed forces of the United States.
- f. Any charitable, education, or fraternal or other type of non-profit association or organization enumerated in Section 718-01 of the Revised Code of Ohio, which is exempt from the payment of real estate taxes is exempt from payment of the tax imposed by this Ordinance.
- g. Individuals withheld upon, that did not attain 16th birth date during taxable year, are eligible for a full refund.
- h. Employee Business Expense (IRS form 2106) must be attached to tax return before allowed.

6. MUNICIPAL CREDITS:

- a. Allowed tax credits for taxes withheld and paid to another Municipality is up to and including 100% of the above referenced current Bluffton, OH tax rate.

NOTE: School District Taxes withheld/paid cannot be taken as a credit against Bluffton taxes owed. (Any code 0203 withheld on W-2 is school district tax, not Bluffton income tax).

7. FILING:

- a. Returns are due by April 15th or 3½ months after end of taxpayer's fiscal year, or, in lieu of return, a copy of taxpayer's federal extension.
- b. Any tax return without a taxpayer signature & date shall be considered 'not filed', within the meaning of the law, until it is signed & dated by the taxpayer or agent legally authorized to sign the tax return.
- c. Legible copies of each W-2, 1099, and Schedule must be attached to the tax return. A return will be considered 'not filed' until the above-mentioned are included.
- d. Business returns only: Local independent contracts and non-employee expenditures claimed on the Bluffton, OH Income Tax Return must have copies of 1099-MISC attached or fully written explanation submitted before the expense will be allowed as a deduction.
- e. No refund is given and no remittance is due if respective tax amount is less than \$1.00.

8. LATE FILING OR PAYMENT:

a. INTEREST:

- 1) 1/2% per month or fraction thereof on all tax balances unpaid by due date.

b. PENALTIES:

- 1) Late Filing Penalty: \$10.00 – 1-90 days; \$25.00 – 91-120 days; \$50.00 – 121-150 days; \$75.00- 151-180 days; \$100.00 – 181 or more days late.
- 2) Late Payment Penalty: 1.5% per month of fraction thereof.

9. WHO MUST MAKE A DECLARATION – A declaration of estimated tax should be made by: (see Declaration Worksheet)

- a. **EVERY RESIDENT** of the Municipality who expects to receive any taxable income that will not be subject to withholding from wages, salaries, commissions, and other personal service compensation, whether such income results from labor performed or services rendered within or without the Municipality.
- b. **EVERY NON-RESIDENT** of the Municipality whose entire income tax liability is not withheld from wages, salaries, commissions, and other compensation earned for work done, or services performed or rendered within the Municipality.
- c. **FIDUCIARIES OF ACTIVE TRUSTS OR ESTATES**, the operation of which produces income within the Municipality.
- d. **WHEN AND WHERE TO FILE DECLARATION:** The declaration for 'calendar year taxpayers' must be filed on or before April 15th with the Tax Administrator. All wage earners must file on a calendar year basis. The declaration for 'fiscal year taxpayers' must be filed on or before the 15th of the month 3½ months following the beginning of their fiscal year.
- e. **PAYMENTS OF ESTIMATED TAX:** The first estimated payment is due at the time the declaration is made (by April 15). Taxpayers should pay 25% of their total declaration on a quarterly basis, with remaining payments due on July 31st, October 31st, and January 31st.

10. The failure of any employer or person to receive or procure a return, declaration or other required form shall not excuse the taxpayer from filing any tax return, tax declaration, or information return or from remitting the tax due.