



2016 VILLAGE OF MARIEMONT Instructions for Preparing Income Tax Return

PART A – TAX CALCULATION

LINE 1: Enter total amount of Qualifying Wages, which generally includes amounts reported in the Medicare wage base (Box 5 of Form W-2), with exceptions including compensation of Medicare-exempt employees hired before April 1, 1986 and income from disqualifying disposition of stock options. If you have multiple W-2s, complete Worksheet A on page 2 of this return. Attach all W-2s.

Note: Worksheet C on page 2 of this return must be completed if you are:

- A non-resident individual filing for a refund related to travel days, or in cases where Mariemont tax has been withheld in excess of liability.
- Filing for a refund of Mariemont tax withheld on earnings while you were under the age of 18

LINE 2: Enter the amount of unreimbursed employee business expenses. You must include a copy of Form 2106 and Federal Schedule A to support this deduction. **Note:** The deduction shall be limited to the amount deducted on your federal income tax return. **If wages are allocated between cities, Form 2106 expenses should likewise be allocated, and tax credit reduced accordingly.**

LINE 3: Line 1 minus Line 2.

LINE 4: Enter total other income (or loss) from Worksheet B on page 2 of this return. Attach all appropriate schedules and documentation. **Note: The method for calculating overall net profit or loss has changed. Net profits and losses are no longer subject to limitation, even if reportable to another Municipal Corporation.** Currently, allowable losses may be carried forward for a period of five (5) years.

LINE 5: Line 3 plus Line 4. Losses reported on Line 4 cannot offset W-2 income from Line 3. Allowable losses as detailed in Line 4 above can be carried forward for a period of five (5) years.

LINE 6: Multiply Line 5 by 1.25% (.0125).

LINE 7a: Enter the amount of Mariemont tax withheld from W-2s. If you have multiple W-2s, please refer to Worksheet A.

LINE 7b: Enter the total amount of tax withheld for or paid to another Municipal Corporation, not to exceed 1.0%. Attach supporting documentation in the form of W-2s or tax returns submitted to other Municipal Corporations. If you have multiple W-2s, please refer to Worksheet A. **Note:** This credit is available to **RESIDENTS** only.

Residents with income or loss from sources other than Qualifying Wages shall calculate credit for tax paid to another Municipality as follows:

- If Part A is comprised of **profit items only**, full 1% credit may be claimed for taxes due and paid to other Municipalities.
- If Part A line 4 includes loss items the losses must be allocated against the profits as illustrated in the example below.

	Total	Dayton	Fairfax
Profits	\$50,000	\$30,000	\$20,000
Contribution %		60%	40%
Loss Allocation			
NOL Carryforward	(5,000)		
Current Year Loss	<u>(3,000)</u>		
Total	(8,000)	(4,800)	(3,200)
Profits	\$50,000	\$30,000	\$20,000
Losses	<u>(8,000)</u>	<u>(4,800)</u>	<u>(3,200)</u>
Net Other Income	\$42,000	\$25,200	\$16,800
Other City Tax Rate		x2.25%	x1.75%
Allowable credit (limited to 1%)	\$420	\$252	\$168

LINE 7c: Enter the amount of estimated tax payments including any amounts paid with an extension.

LINE 7d: Enter the amount of prior year credits.

LINE 8: Add Lines 7a, 7b, 7c and 7d.

LINE 9: Line 6 minus Line 8.

LINE 10: If the return is past due, a late filing penalty is imposed at the rate of \$25.00 per month (or fraction thereof) not to exceed \$150.00. This penalty is due in addition to all other penalties and is imposed even if no tax is due. Enter the applicable amount.

LINE 11a: Enter the amount of penalty, if applicable. The penalty rate is 15% of the amount not timely paid.

LINE 11b: Enter the amount of interest, if applicable. Interest is imposed on all tax not timely paid. The rate is adjusted annually based on the federal short-term rate + 5%. Please call our office at (513) 271-1606 for the current rate.

LINE 12: Add Lines 9 – 11b. This is your balance due. If Line 12 reflects an overpayment, enter this amount on Line 13.

Note: If you are required to pay estimated tax payments, you must continue and complete Part B of this return.

LINE 13: Overpayment from Line 12.

LINE 14: Enter the amount from Line 13 to be refunded.

LINE 15: Enter the amount from Line 13 to be credited to your 2017 estimated tax liability.

PART B – DECLARATION OF ESTIMATED TAX FOR 2017

LINE 16: Enter the amount of estimated income for 2017. Multiply by the tax rate (1.25%) to determine the total estimated tax due for 2017.

LINE 17: Enter the total amount of Mariemont and other allowable (limited to 1%) municipal taxes to be withheld from wages.

LINE 18: Line 16 minus Line 17.

LINE 19: Multiply Line 18 by 22.5% to determine the amount of estimated tax due for the first quarter.

LINE 20: Enter the amount of credits from Line 15 above.

LINE 21: Enter the net estimated tax due if Line 19 minus Line 20 is greater than zero.

LINE 22: Line 12 plus Line 21. Make checks payable to the **Village of Mariemont**.

MAIL COMPLETED RETURNS TO:

Village of Mariemont Tax Department
6907 Wooster Pike
Mariemont, OH 45227-4428

Phone: 513-271-1606
Fax: 513-271-0822
www.mariemont.org
taxdept@mariemont.org