

NECESSARY INFORMATION 1. Check type of Organization: () Sole Proprietor () Partnership () Corporation () Other _____ 2. Date Business Started or was Incorporated _____ 3. Did you have any Employees in 2016? Yes () No () 4. Are All Places of Business Subject to Norwood Earnings Tax included in This Return? Yes () No ()	2016 NORWOOD 2016 BUSINESS EARNINGS TAX RETURN DUE ON OR BEFORE APRIL 18, 2017 or Fiscal Period Beginning _____, 20____ Ending _____, 20____ File this Return and REMITTANCE with TAX COMMISSIONER 4645 MONTGOMERY ROAD NORWOOD, OH 45212-2689 OFFICE 513-458-4590 FAX 513-458-4581	NECESSARY INFORMATION 5. Federal I.D. or Social Security No. _____ 6. Telephone No. _____ If Moved During Year Give Date : IN _____ OUT _____ 7. Final Return ? ____ Yes ____ No 8. If yes, answer #9 and/or #11, page 2 (Additional questions on back, page 2)
--	--	---

POST OFFICE BOX #
IS NOT
ACCEPTABLE
IDENTIFYING ADDRESS

IF NOT SHOWN, TYPE OR PRINT NAME AND ADDRESS CLEARLY

- | | |
|---|-----------------|
| 1. ADJUSTED FEDERAL INCOME (ATTACH COPY OF FEDERAL RETURN) Include Schd. Z Pg. 2 | \$ _____ |
| 2. a. Add items not deductible (From line H Schedule X, Page 2)..... | ADD \$ _____ |
| b. Deduct items not taxable (From line M Schedule X, Page 2)..... | DEDUCT \$ _____ |
| c. Difference between 2a & 2b to be added or subtracted from Line 1 (+ or -) | \$ _____ |
| 3. ADJUSTED NET INCOME | |
| a. PROFIT/LOSS (Line 1 Plus or Minus Line 2c, if Schedule X is used)..... | \$ _____ |
| b. Amount of Line 3a Apportioned (_____ % from Line 5 Schedule Y, Page 2)..... | \$ _____ |
| c. Less allocable net loss from previous Norwood tax returns (5 year limit)..... | \$ _____ |
| 4. AMOUNT SUBJECT TO NORWOOD EARNINGS TAX (Line 3b less Line 3c)..... | \$ _____ |
| 5. NORWOOD TAX : AT THE RATE OF 2.0% of Line 4..... | \$ _____ |
| 6. CREDITS: | |
| a. Deduct payments made on Declaration of Estimated Norwood Tax..... | \$ _____ |
| b. Prior year Overpayments..... | \$ _____ |
| c. TOTAL CREDITS ALLOWABLE | \$ _____ |
| 7. BALANCE OF TAX DUE (Line 5 less Line 6c)..... | \$ _____ |
| 8. OVERPAYMENT: _____ | |
| PLEASE REFUND _____ OR APPLY TO 2017 ESTIMATED TAX _____ | |

DECLARATION OF ESTIMATED TAX FOR YEAR 2017

(QUARTERLY PAYMENTS MANDATORY IF ESTIMATED LIABILITY IS \$200.00 OR HIGHER)

- | | |
|--|---------------------|
| 9. TOTAL INCOME SUBJECT TO TAX \$ _____ MULTIPLY BY RATE OF 2.0% FOR GROSS TAX OF | \$ _____ |
| 10. LESS TOTAL CREDITS: | |
| a. OVERPAYMENT FROM PRIOR YEAR..... | \$ _____ |
| b. AMOUNT OF 2017 ESTIMATE PAID..... | \$ _____ = \$ _____ |
| 11. AMOUNT PAID WITH THIS DECLARATION (NOT LESS THAN ¼ OF LINE 9 LESS LINE 10)..... | \$ _____ |
| 12. TOTAL OF THIS PAYMENT (LINE 7 PLUS LINE 11) MAKE CHECK PAYABLE TO: CITY OF NORWOOD | \$ _____ |

I DECLARE, under the penalties of perjury, that this return (including any accompanying schedules and statements) has been examined by me and is, to the best of my knowledge and belief, a true, correct and complete return, made in good faith, for the taxable period stated, pursuant to the Norwood Earnings Tax Ordinance and Regulations issued thereunder; the undersigned agrees to furnish or make available to the Commissioner of Taxation, a certified or photo static copy of the Federal Income Return, or detailed schedule as attached to the Federal Income Return, filed with the Director of Internal Revenue Service for the period involved as part of this return.

(Signature of person preparing the return)	Signature _____ (Taxpayer, Partner, Fiduciary, President or other principal officer)
(Name of firm or employer, if any)	(Date)
(Title)	(Date)

NOTE: All appropriate Federal schedules and forms MUST be attached. A return is NOT complete unless schedules and forms are included.

SCHEDULE X RECONCILIATION WITH FEDERAL INCOME TAX RETURN

ITEMS NOT DEDUCTIBLE	(ADD)	ITEMS NOT TAXABLE	(DEDUCT)
A. Net operating loss deduction per Federal Return	\$ _____	I. Interest income.....	\$ _____
B. Capital losses to the extent they are included in Computing Total income per Federal Return....	_____	J. Dividends.....	_____
C. Expenses incurred in the production of non-taxable Income.....	_____	K. Capital Gains to the extent they are included in Computing Total income per Federal Return...	_____
D. Income Taxes paid or accrued.....	_____	L. Other (Explain).....	_____
E. Payments to partners.....	_____	_____
F. Other (Explain).....	_____	_____
G. Other (Explain).....	_____	_____
H. TOTAL ADDITIONS (Enter as line 2a, other side) \$	_____	M. TOTAL DEDUCTIONS (Enter as line 2b, other side) \$	_____

SCHEDULE Y BUSINESS ALLOCATION FORMULA

ALLOCATION FACTORS	A. Total Factors Everywhere	B. Norwood Factors	C. Percentage (b divided by a)
1. Average value of real and tangible personal property..... (Include Gross Annual Rents Paid Multiplied by 8)	\$ _____	\$ _____	_____ %
2. Gross sales of merchandise, less returns and allowances (do not include discounts allowed).....	\$ _____	\$ _____	
Charges for work or services performed.....	_____	_____	
Other income (do not include income from intangibles, Capital Gains, discounts Earned, or income exempt by Ohio or Federal Law).....	_____	_____	
TOTAL BUSINESS RECEIPTS-FACTOR.....	\$ _____	\$ _____	_____ %
3. Wages, salaries and other personal service compensation.....	\$ _____	\$ _____	_____ %
4. Total percentages.....			_____ %
5. Allocation Percentage (Total percentages divided by the number of percentage factors used) carry to line 3 (b), Page 1.....			_____ %

SCHEDULE Z OTHER INCOME (Include on Line 1 – front page)

1. Show here income from any other source(s) – attach listing and documentation \$ _____

INFORMATION (CON'T PAGE 1)

9. If you Terminated Your Business during 2016 give Exact Date _____	12. Name of President or Owner(s) _____ Phone No. _____
10. Give Name and Address of New Owners _____	13. Name of Treasurer or Chief Financial Officer _____ Phone No. _____
11. I moved from Norwood on _____ To _____ My Norwood Landlord's Name and Address was _____	_____

INSTRUCTIONS FOR NORWOOD FORM BR

PLEASE NOTE: EXTENSION REQUESTS MUST BE FILED IN WRITING WITH THE NORWOOD TAX OFFICE ON OR BEFORE THE DUE DATE OF THE TAX RETURN.

1. WHO MUST USE FORM BR

- (a) Every individual engaged in any enterprise, profession or other business activity for profit.
 - (1) As an employee with income from business activity (other than incidental rental property) in addition to their personal service compensation;
 - (2) As a sole proprietor of a business;
 - (3) As a professional person.
- (b) Every group of two or more persons engaged in any enterprise, profession or other business activity for profit, organized as partnership, limited partnership, association or any other unincorporated business or enterprise. The business entity shall file the return and pay the tax as an entity.
- (c) Every estate or trust engaged in any business activity for profit.
- (d) Every corporation with a Norwood place of business and engaged in business activity for profit.

2. AMOUNT OF INCOME SUBJECT TO THE TAX.

- (a) Individuals.
 - (1) Residents shall include all taxable income wherever earned;
 - (2) Non-residents should exclude all taxable income earned outside Norwood;
- (b) Partnerships, associations and other unincorporated entities;
 - (1) If a resident, the entity must include all taxable net profits wherever earned.
 - (2) If a non-resident, the entity should exclude all taxable net profit earned outside City of Norwood.
- (c) Corporations must include all taxable net profits earned within the City of Norwood.

3. PERIOD COVERED BY RETURN AND DATE DUE.

- (a) If the taxpayer is reporting on a calendar year basis this return should cover the entire period of the tax January 1, 2016 through December 31, 2016 and should refer to income earned during this period. Return is due on or before April 18, 2017.
- (b) If the taxpayer has established a fiscal year basis, this return shall cover the fiscal year that ends within the tax period January 1, 2016 through December 31, 2016 and shall refer to income earned during that period covered by the report. The return is due 105 days after the close of the fiscal period.

4. CREDIT FOR EARNINGS TAX PAID TO ANOTHER CITY OR COUNTY.

RESIDENTS of Norwood who have paid tax in another city or county on income also taxable by the City of Norwood shall be allowed a credit to the extent of the tax due and paid to another city or county. However, credit is not to exceed 2% of the income taxable to another city or county. Claims of credit must be substantiated.

5. RATE AND PAYMENT OF TAX.

- (a) Effective January 1, 1981, and thereafter, the rate of the tax is 2%.
- (b) If tax is shown to be owing and unpaid on this return, the taxpayer must remit such tax when filing this return.

6. INTEREST.

Posted on www.norwood-ohio.com

7. VIOLATIONS - PENALTIES.

If a taxpayer fails, neglects or refuses to file any return or declaration required by the Ordinance, or fails or refuses to pay the tax and interest, or knowingly makes any incomplete, false or fraudulent return, he is subject to penalties.

8. PROTECTION OF TAXPAYER'S INFORMATION.

The ordinance provides that any information gained as the result of returns, investigations, etc. shall be confidential. No disclosures shall be made except for official purposes or as ordered by a court of competent jurisdiction or where disclosure is necessary to conduct a hearing before the Board of Appeals or strict official tax purposes.

INSTRUCTIONS FOR PAGE 1

SUPPLY ALL INFORMATIONAL QUESTIONS FIRST.

Line 1

The income referred to in line 1, page 1, of this return is the total amount received or earned, during the period of January 1, 2016 through December 31, 2016 regardless of where earned. It can be reduced by all deductions and cost of doing business as allowed by Federal income tax laws.

(Although some factors in determining Federal Tax liability are not to be considered in determining Norwood Earnings Tax (and vice-versa) the same rules may be used in calculating "income" as shown on line 1 of this return since Schedule X of this return provides for the reconciliation between Federal Law and Norwood Earnings Tax Ordinance).

Line 2(a)

The total amount of items deductible for Federal Income Tax purposes but not deductible under Norwood Earnings Tax, is to be inserted on this line from the left half of Schedule X.

Line 2(b)

The total amount of items taxable for Federal Income Tax purpose but not subject to the Norwood Earnings Tax, is to be inserted here from the right half of Schedule X.

Line 2(c)

Combine lines 2(a) and 2(b) and show the difference (plus or minus).

Line 3(a)

Adjusted Net Income - profit or loss. Line 1 + or - 2(c).

Line 3(b)

This is the amount subject to tax when the Business Allocation Percentage Formula is used. Line 5, page 2 - Allocation of Net Profits.

Line 3(c)

Insert operating loss per previous returns. Limit on net operating loss carry forward is five(5) taxable years.

Line 4

Total amount subject to Norwood Tax - Line 3(b) minus Line 3(c).

Line 5

Compute the 2% tax on the amount from Line 4.

Line 6

- (a) Show estimated tax payments made.
- (b) Show prior year overpayments.
- (c) Combine 6(a) and 6(b) - show total credits.

Line 7

This is your balance of tax due - Line 5 minus Line 6(c).

Line 8

Overpayment will be returned to taxpayer or credited to 2017 earnings tax liability as indicated on Line 8, page 1. Amounts of less than ten dollars (\$10.00) shall not be collected or refunded.

Lines 9, 10, 11, 12

Complete estimate of taxes due for 2017.

INSTRUCTIONS FOR PAGE 2

SCHEDULE X

The taxpayer must use this schedule to reconcile the amount reported for Federal Income Tax with the amount subject to Norwood Earnings Tax.

1. Additions-certain items are deductible in computing Federal net income, but not deductible in computing the amount subject to Norwood Earnings Tax. They must be added to Federal total income.
 - (a) Amounts taken as a net operating loss carry-over on the Federal return must be added.
 - (b) Capital losses are not deductible under the City tax and shall not be taken into consideration in arriving at net profits earned.
 - (c) Where the taxpayer has expenses or other charges for carrying securities, etc., the amount of such expenses and charges must be shown. Since the income is not taxable by the City, the carrying expenses may not be deducted.
 - (d) Income Taxes may not be deducted in computing amount subject to this tax. Such deductions on the Federal return must be added to the amount shown on line 1.
 - (e) Payments to partners.
 - (f) If the taxpayer has taken any other deductions on his Federal return which are not allowed for this tax, the amount must be shown and source explained.
 - (g) If the taxpayer has taken any other deductions on his Federal return which are not allowed for this tax, the amount must be shown and source explained.
 - (h) All of the above items must be totaled and inserted on line 2(a) to be added to the amount shown on line 1, page 1.

2. Deductions - certain income taxable on the Federal return is not taxable by the City and must be deducted from Federal total income on line 2(b).
 - (i) Interest (intangibles) per current state law.
 - (j) Dividends and any other income specifically excluded from Norwood Earnings Tax by Ohio or Federal Law should be shown.
 - (k) Capital gains are not taxable under the Norwood Earnings Tax and shall not be taken into consideration in arriving at net profits earned. Such capital gains shall be excluded through Schedule X but only to the extent they are added to Earnings per Federal return.
 - (l) Any other income not subject to Norwood Earnings Tax must be shown and deducted from Federal total income, but deduction of related expenses to non-taxable sources of income is not permissible. Such expenses must be shown in left half of Schedule X. Business subject to allocation and using the allocation formula must use Schedule Y on page 2 to compute such allocation. If such taxpayer has books which accurately reflect the amount of net profits earned within and without the City of Norwood, he shall show in Schedule X the amount earned outside and explain the accounting method on an attachment. Any other non-resident taxpayer earning income within and without the City of Norwood may show the non-taxable portion here and explain the computation thereof.

SCHEDULE Y

This schedule is for taxpayers with business operations both within and outside Norwood to achieve a fair and equitable allocation of Net Profits to the city. To receive a detailed discussion of this formula, please contact the Norwood Tax Office. (513) 458-4590, or see the City of Norwood web page norwood-ohio.com and click on Tax Dept. and review Rules and Regulations - pgs 13-17.

SCHEDULE Z

The taxpayer should show any other income here and attach a listing of the source of income and documentation of such.

NOTE: LOSSES FROM BUSINESS, INCLUDING RENTALS, MAY NOT BE OFFSET AGAINST PERSONAL SERVICE COMPENSATION.

TAX RETURN MUST BE SIGNED AS INDICATED BY THE APPROPRIATE PERSON.