

CITY OF BEDFORD

INDIVIDUAL INCOME TAX RETURN INSTRUCTIONS

NOW AVAILABLE FREE TO THE PUBLIC: THE ON-LINE MUNICIPAL INCOME TAX PREPARATION PROGRAM AT: www.bedfordoh.gov

GENERAL INSTRUCTIONS

WHO MUST FILE:

Every Resident 18 years or older and lived in the City of Bedford at **anytime** during the tax year.

You lived in Bedford and had no Earned Income. (See retired and/or disabled comment below).

You worked in Bedford during the year and had no Bedford City Income Tax withheld from your income.

You operated a Business in Bedford (Federal Schedule C) during any part of the tax year.

You owned Rental Property in Bedford (Federal Schedule E) and collected rent during any part of the tax year.

A Return must be filed even though a Declaration of Estimated Tax has been filed and paid.

Persons under Eighteen (18) years of age are not subject to the tax. If Bedford tax was withheld from their wages, a refund should be requested.

EFFECTIVE FOR THE TAX YEAR 2002, RETIRED AND/OR PERMANENTLY DISABLED RESIDENTS WITH NO EARNED INCOME (SEE INCOME TAXED BY CITIES) ARE NOT REQUIRED TO FILE A TAX RETURN, PROVIDED THAT THE TAXPAYER HAS FILED A PREVIOUS YEAR'S TAX RETURN ESTABLISHING RESIDENCY.

FILING DEADLINE: On or before April 15th or the IRS Due Date following the close of the calendar year. If the return is made for a fiscal year or any period less than a year, file within four (4) months from the end of the fiscal year or other period.

PENALTIES AND INTEREST

Are imposed for failure to file a return or pay the tax due or failure to have 90% or more of the tax due paid in on estimates. Failure to pay the tax due by April 15th or the IRS Due Date is considered to be past due and your account is subject to be sent to Collection at your expense. **Please notify this office by mailing the City of Bedford Tax Department a copy of your Federal Extension. This extension must be received by the date of the return or a late file penalty of \$25 per month (maximum \$150) and interest will be assessed.**

* Note: Extensions do not apply to Declarations of Estimated Tax.

Joint Returns – Filing a joint return is acceptable.

PAYMENTS

Payments will be applied to oldest years (penalties, interest, collection Fee's and principal tax balance due) to the most current year.

INCOME TAXED BY CITIES

You must report all your income regardless of the income's origin or characteristics including: wages, salaries, commissions, other compensation including fees, sick pay, bonuses, tips, rents, profits from businesses, including professional associations and partnerships, royalties, employer supplemental unemployment benefits (subpay), wage continuation plans, contest prizes and awards, earned income derived from gaming, wagering, lotteries including the Ohio Lottery's prizes and payment, dismissed or severance pay, incentive payments, property in lieu of cash, depreciation recapture and other compensation earned, received or accrued. Your contribution to retirement plans, annuities or Independent Retirement Accounts (IRAs) and all deferred compensation plans **ARE** taxed by cities. W-2 Income may not be offset by losses from Schedule C or E.

INCOME NOT TAXABLE

Includes dividends, interest, military pay, and allowances, insurance proceeds, pensions, annuities, alimony, social security, medicare, poor relief, unemployment insurance benefits, gifts, inheritances, scholarships, disability benefits, royalties, Section 125 deductions and other revenue from intangible property. The income of religious, fraternal, charitable or other non-profit associations are exempt from the tax if exempt from real estate tax or exempt by enumeration in section 718.01 of the Ohio Revised Code or section 501 (a) of the Internal Revenue Code.

SPECIFIC INSTRUCTIONS

If you moved since January 1 of this tax year, complete the box in the top center of the return. Taxable income and withholding are to be apportioned to the number of months lived in Bedford to 12 months, if Taxpayer is not a full year resident. **BOTH THE WAGES AND THE WITHHOLDINGS MUST BE PRORATED PRIOR TO CALCULATING THE RETURN.**

Please complete or update the name and address information and Social Security number(s) where requested on form.

SECTION 1 – WAGES AND COMPENSATION

(from W-2s Only)

COLUMN 1

This column is created to help the taxpayer compute separately the tax due from earned income in Bedford vs earned income in other communities. The community you have earned your income in is stated on your W-2 form or by the physical location of your work place. If you worked in Bedford you will enter your dollar amount of total wages and Bedford withholding to the right of "Bedford" in column 1A and column 1B respectively. If you worked in a community OTHER THAN Bedford (such as Cleveland) you would write "Cleveland" under the municipality heading and enter your wage income earned in Cleveland to the right of Cleveland in column 1A. This is the same for all other communities. (See Sample Worksheet). If you have wage income earned in a community OTHER THAN Bedford and withholding is taken out for Bedford and the other community, please list under the other communities section in column 1 with the corresponding TOTAL WAGES posted to the right of this city in column 1A. Post Bedford withholding on column 1B and other community withholding in column 1C.

COLUMN 1A

Please enter total wages as noted on W-2 form in this column which is right of the city listed where wages were earned in Column 1.

NOTE:

The largest dollar amount in wage areas on the W-2 form is the amount taxable by the cities (deferred compensation plans and deferred retirement plans ARE taxed by the city).

COLUMN 1B

Please enter any amount of taxes withheld for the City of Bedford in this column. These entries should align to the right of the city where wages were earned.

COLUMN 1C

Please enter taxes withheld for other cities where wages were earned. Please list separately in row with a municipality listed in Column 1.

COLUMN 1D

Multiply .0225 times each amount entered in Column 1A under OTHER COMMUNITIES and enter each result on the same row in Column 1D.

CREDIT IS TO BE COMPUTED ON WAGES SUBJECT TO PROPER WITHHOLDING.

IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER, PLEASE CALL THE BEDFORD CITY TAX DEPT. AT (440) 735-6505.

COLUMN 1E

Enter the smaller of Column 1C or 1D.

Add entries in Column 1A, post total to line 2A

Add entries in Column 1B, post total to line 4B

Add entries in Column 1E, post total to line 4C

LINE 2 INCOME

A. This amount is taken from Column 1A total.

B. Total other income is defined as all other earned income not reported on a W-2. (See income taxed by cities).

NOTE: Income from wagering, schemes of chance, including, but not limited to the Ohio Lottery are to be included on this line.

Losses cannot offset W-2 wages. Effective 2018: New NOL carry forward loss calculations, use NOL carry forward calculator on City website for the credit.

C. Total (Add lines 2a and 2b).

LINE 3

Bedford City tax (multiply Line 2C times tax rate of 3.0%).

LINE 4 PAYMENTS AND CREDITS

A. This amount is the City's record of your estimates paid and prior year overpayment credit as of the date stated on the form.

B. This amount is taken from Column 1B total.

C. This amount is taken from Column 1E total.

D. Direct payments to other cities – this credit applies only if income is posted to line 2B. If direct payments were made to other cities for local taxes, the City of Bedford will allow you to enter a credit limited to the lesser of 2.25% of your other income (Business income, rental property, etc.) or the actual amount of the tax paid to the other city. **ATTACH COPY OF OTHER CITY TAX RETURN.**

For more information go to www.bedfordoh.gov.

LINE 5 BALANCE OF TAX DUE (OVERPAYMENT)

Subtract line 4E from line 3.

LINE 6 PENALTY AND INTEREST

- A. If the return is not filed by April 15th or the IRS Due Date and no extension was granted, a penalty is to be paid in the amount of \$25 per month (max \$150).
- B. If the return is not filed or the tax due is not paid by April 15th or the IRS Due Date, a 15% late paying penalty will be assessed on the balance due on line 5.
- C. If the return is not filed or the tax due is not paid by April 15th or the IRS Due Date, interest of .0058% per month (7% per annum) will be assessed on the balance due on line 5.
- D. Add lines 6A, 6B, and 6C.

LINE 7 BALANCE DUE

Add lines 5 and 6D.

LINE 8 OVERPAYMENT

If line 7 is less than zero you are entitled to a refund (if \$10.00 or more) or

credit carried forward to the next tax year. Please indicate your choice by placing an X in the box on line 8A if you choose to receive a refund or 8B if you choose to receive a credit.

LINE 9

A. Estimated Tax Liability

This is the amount of expected tax balance due the city for the next tax year. Use line 5, plus 4A, as a basis for this estimated amount of tax due.

B. Divide the amount on line 9A by 4.

LINE 10 TOTAL DUE THE CITY OF BEDFORD

Add lines 7 and 9B and enter the final results. This amount must be paid when your return is filed. Returns received without payment are subject to a late file penalty, late payment penalty and interest charges. Be sure to write your Social Security Number on your check or money order. If the balance due is less than \$10.00 payment need not be made.

Credit Card and Electronic payments can be made on-line at www.bedfordoh.gov.

PLEASE SIGN YOUR NAME AND OBTAIN SPOUSE'S SIGNATURE ON A JOINT RETURN AND DATE OF SIGNATURE MUST BE ENTERED

TAXPAYER MUST ATTACH COPIES OF W-2 STATEMENTS, THEIR COPIES OF FEDERAL FORMS 1040 Schedule C, 1040 Schedule E, 1065K AND 1099 – WHICHEVER IS APPLICABLE. INCLUDE A SUMMARY SHEET IF NECESSARY.

THE RETURN IS NOT COMPLETE UNLESS THIS DATA IS PROVIDED

Electronically prepared returns must be printed signed and mailed with a copy of the return, your W2's and or schedule to this return.

W-2 INFORMATION (FOR EXAMPLE)

1. Mr. Taxpayer SSN 000-00-0000

Local Wages	Local Tax	Work City
Box 18	Box 19	Box 20
\$20,000.00	\$400.00	Hudson

2. Mr. Taxpayer SSN 000-00-0000

Local Wages	Local Tax	Work City
Box 18	Box 19	Box 20
\$15,000.00	\$450.00	Bedford

3. Mrs. Taxpayer SSN 999-99-9999

Local Wages	Local Tax	Work City
Box 18	Box 19	Box 20
\$8,931.86	\$178.64	Solon

MAIL TO

NO payment Enclosed - Mail to:
City of Bedford - Tax Department
165 Center Road
Bedford, OH 44146

Payment Enclosed - Mail to
City of Bedford - Tax Department
PO Box 72450
Cleveland, OH 44192-0002

Refund Request - Mail to:
City of Bedford - Tax Department
165 Center Road
Bedford, OH 44146

EXAMPLE OF TAX RETURN

CITY OF BEDFORD, OHIO Income Tax Return 20XX
P.O. Box 72450, Cleveland, Ohio 44192-0002
(440) 735-6505
DUE BY APRIL 15, 20XX OR THE IRS DUE DATE

IF YOU MOVED SINCE JANUARY 1, 20XX COMPLETE THIS BOX.

Present Address	City	State	Zip
Orig Address	City	State	Zip
Date of Move			

www.bedfordoh.gov
Email Address: tax@bedfordoh.gov

Phone # _____

NAME AND ADDRESS (Print or type)

Mr. & Mrs. Taxpayer
990 Turney Road
Bedford, OHIO 44146

000-00-0000
Your Social Security Number

999-99-9999
Spouse's Social Security Number

1. WAGES AND COMPENSATION	Location Where Earned (As shown on W-2 Form) <small>Caution: List separately wages earned in Bedford and other Communities.</small>	COLUMN 1A <small>(As shown on W-2 Form)</small>	COLUMN 1B <small>Withheld for Bedford</small>	COLUMN 1C <small>Withheld for Other Cities</small>	COLUMN 1D <small>2.25% of Column 1A</small>	COLUMN 1E <small>Lesser of Column 1C or 1D</small>
	BEDFORD		\$ 15,000.00	\$ 450.00		
Other Communities List Separately	Municipality					
	HUDSON	20,000.00		\$ 400.00	\$ 450.00	\$ 400.00
	SOLOM	8,931.86		\$ 178.64	\$ 200.97	\$ 178.64
COLUMN TOTALS		\$ 43,931.86	\$ 450.00			\$ 578.64
		Post (To Line 2a)	Post (To Line 4b)			Post (To Line 4c)

2. INCOME

a. Total wages and compensation (From 1A) 2a. 43,931.86

b. Total other income (Federal Schedule C), Rental income (Federal Schedule E) and all other Income – See Instruction Worksheets A & B (on Website)..... 2b. _____

c. Total (Add lines 2a and 2b) 2c. \$ 43,931.86

3. **BEDFORD CITY TAX 3.0%** (Multiply line 2c times .0300) 3. \$ 1,317.96

4. PAYMENTS AND CREDITS

a. Estimated payments and prior year overpayment credit 4a. _____

b. Withheld for Bedford (From 1B and worksheet B) 4b. 450.00

c. Credit for other cities (From 1E and worksheet B) 4c. 578.64

d. Direct payments to other cities (See Instructions) 4d. _____

e. Total payments and credits (Add lines 4a through 4d) 4e. \$ 1,028.64

5. **BALANCE of tax due [overpaid]** subtract line 4e from line 3 5. \$ 289.32

6. **PENALTY AND INTEREST** a. Late Filing Penalty (\$25 per month/max \$150) \$ _____
b. Late Paying Penalty (15% of unpaid tax) \$ _____ c. Interest (5% per annum) \$ _____ 6a+6b+6c=6d. \$ _____

7. **BALANCE DUE** (combine lines 5 and 6c) (Credit Card and Electronic Payments can be made on-line at www.bedfordoh.gov) 7. \$ _____

8. **OVERPAYMENT** (if Line 7 is less than zero) If no payment due or refund requested, send forms/documents to 165 Center Rd, Bedford, Ohio 44146.
8a. Refund (if \$10.00 or more) 8b. Credit to 20XX Estimated Tax 8. \$ _____

9. **ESTIMATED TAX** (See Instructions)
a. Estimated tax liability for 20XX 9a. 290.00
b. Quarterly estimated tax due 1/4 of 9a less credit from 8b 9b. \$ 72.50

10. **TOTAL DUE** City of Bedford (Add lines 7 and 9b) (credit card payments available at www.bedfordoh.gov) 10. \$ 361.82

(Make check or money order payable to City of Bedford if \$10.00 or more)

HAVE YOU RECEIVED ANY REFUND FROM OTHER CITIES? NO YES AMOUNT \$ _____

Under penalties of perjury, the undersigned declares that this return (and accompanying schedules) is a true, correct and complete return for the taxable period stated and that the figures used herein are the same as used for Federal Income Tax purposes, unless otherwise required by local ordinance of statute, and if an audit of Federal return is made which effects tax liability shown on this return, an amended return will be filed within 3 months. CHECK BOX TO ALLOW THE CITY TO CONTACT YOUR TAX PREPARER.

Signature _____ Date _____ Preparer's signature (other than taxpayer) _____ Date _____

Signature of spouse (if joint return) _____ Date _____ Address (and Zip Code) _____ Phone No. _____

PLEASE SIGN AND RETURN ORIGINAL FORM WITH YOUR PAYMENT. KEEP DUPLICATE FOR YOUR RECORDS.