



# 2020 KETTERING INDIVIDUAL INCOME TAX RETURN GENERAL INFORMATION

<b>WHO MUST FILE</b>	<p><b>Residents:</b> All residents (including part-year residents) of the City of Kettering who are 18 years of age and older are required to file an annual income tax return. <b>A return is required regardless of income or employment status.</b> Active duty military personnel, unemployed persons, or other persons with no reportable income or loss for the current year are also subject to the mandatory filing requirements and must file a city tax return each year.</p> <p><b>Non-Residents:</b> Non-residents of Kettering who have taxable income or loss, earned or derived from within the City, from which Kettering tax was not withheld, must file a return.</p>
<b>EXEMPTIONS TO MANDATORY FILING</b>	Permanently retired or permanently disabled persons with only non-taxable sources of income or loss (such as social security, pensions, interest, and dividends) may file for a permanent exemption from the mandatory filing requirement by submitting the Declaration of Exemption Form and all required attachments. Forms are available on our website.
<b>DUE DATE</b>	Your City of Kettering Income Tax Return (Form KR-1040) is due on or before <b>APRIL 15, 2021</b> and should be mailed to: <b>City of Kettering Income Tax Division, P.O. Box 639409, Cincinnati, OH 45263-9409.</b>
<b>PAYMENTS</b>	Make checks or money orders payable to <b>City of Kettering</b> . Online payments can be made on our website at <a href="http://www.ketteringoh.org">www.ketteringoh.org</a> via electronic check, credit card or debit card. A convenience fee will be added for all credit card and debit card transactions. <b>If the balance due with your return is \$10.00 or less, no payment is required.</b>
<b>EXTENSIONS</b>	Taxpayers who have requested an automatic 6-month extension for filing their federal income tax return shall automatically receive a 6-month extension for the filing of their city tax return. <b>A copy of an approved federal extension must be attached to your return at the time of filing.</b> Taxpayers who have not requested a 6-month extension for their federal income tax return may be granted a 6-month extension by submitting a request to the Tax Administrator by the due date of the return. <b>An extension of time to file is not an extension of time to pay taxes due. Penalty and interest charges will apply to all payments received after the original due date.</b>
<b>ESTIMATED TAX</b>	Taxpayers who anticipate a net tax liability of \$200.00 or more are required under Ohio law to make estimated tax payments. Quarterly estimated tax payments are due on April 15, June 15, September 15, and January 15. Estimated tax payment vouchers and instructions are available on our website.
<b>REFUNDS</b>	Refunds are allowed only when city income tax has been paid to or withheld for Kettering. Refund requests must be filed on the City of Kettering Income Tax Return. When filing a travel day refund request, you must include a <u>completed</u> Days Worked Outside the City of Kettering Worksheet (found on our website). Failure to do so may delay processing of the refund request. Note: There is a three (3) year statute of limitations for claiming a refund or credit of any overpayment of city tax. <b>Overpayments of \$10.00 or less will not be refunded.</b>
<b>HB197</b>	On March 9, 2020, Governor DeWine signed Executive Order 2020-01D declaring a state of emergency in the state of Ohio in response to the COVID-19 global pandemic. In response, the Ohio Legislature passed, and Governor Dewine signed House Bill 197 on March 27, 2020. Section 29 of HB 197 provides that: <i>Notwithstanding section 718.011 of the Revised Code, and for the purposes of Chapter 718 of the Revised Code during the period of the emergency declared by Executive Order 2020-01D, issued on March 9, 2020, and for thirty days after the conclusion of that period, any day on which an employee performs personal services at a location, including the employee's home, to which the employee is required to report for employment duties because of the declaration shall be deemed to be a day performing personal services at the employee's principal place of work. <b>Your work, while done remotely, is still the result of your employment at a company within the City of Kettering and therefore, you are subject to municipal taxation.</b></i>
<b>TAXABLE INCOME</b>	Taxable income includes but is not limited to the following: Qualifying Wages, salaries, commissions, other compensation, wage continuation plans (includes retirement incentive plans and buyouts), bonuses, directors fees, fringe benefits such as car allowance, stock options, gambling winnings, net profits from the operation of a business, profession, enterprise or other activity and royalties.
<b>EXEMPT INCOME</b>	Exempt income includes but is not limited to the following: interest, dividends, military pay and allowances, social security benefits, welfare benefits, unemployment insurance benefits, worker's compensation, proceeds from qualified retirement plans as defined by the IRS, personal earnings of all persons under the age of 18, capital gains, alimony, contributions to a section 125 plan (cafeteria or flexible spending account), proceeds of sickness, accident or liability insurance policies and disability payments.
<b>S-CORPORATIONS</b>	Individual shareholders <b>should not</b> include any gain or loss from an S-Corporation on their individual return. <b>S-Corporations conducting business in Kettering must file a City of Kettering Business Income Tax Return (Form KBR-1040). Forms are available on our website.</b>
<b>OTHER INCOME / LOSS CALCULATION</b>	All business income and/or loss must be netted together to arrive at an overall net profit or loss for the current year. Business income includes, but is not limited to, activities reported on Federal Schedule(s) C, E, or F and ordinary gains reported on Federal Form 4797. If netting results in an overall loss, the loss may be carried forward for a period not to exceed five (5) years (subject to limitations in Ohio Revised Code Chapter 718.01). <b>Note that a loss from business activities may not be used to offset wages reported on Form(s) W-2, gambling winnings reported on Form(s) W-2G, or other miscellaneous income reported on Federal Form 1040.</b>
<b>PENALTY AND INTEREST</b>	<p>A 15% <b>penalty</b> will be imposed on the balance of unpaid tax due as of the first day after the <u>original</u> due date of the return.</p> <p><b>Interest</b> will be imposed on the balance of unpaid tax due beginning with the first day after the <u>original</u> due date of the return. The interest rate is adjusted annually based on the federal short-term rate + 5%. Please visit our website (<a href="http://www.ketteringoh.org">www.ketteringoh.org</a>) for the current interest rate.</p> <p>A \$25.00 <b>late filing penalty</b> will be imposed for the failure to file a return by the due date (regardless of balance due shown on return).</p>
<b>ATTACHMENTS</b>	Attach your Federal Form 1040 and supporting documentation for each income, loss or deduction item reported on your city return. Examples include: Form(s) W-2 and W-2G, Form(s) 1099-Misc, Schedule(s) K-1, or Federal Schedule(s) C, E, or F.
<b>DISCLAIMER</b>	Definitions and instructions are illustrative only. The City of Kettering Income Tax Code and the Ohio Revised Code supersede any interpretation presented.