



## 2022 KETTERING BUSINESS INCOME TAX RETURN GENERAL INFORMATION

<b>WHO MUST FILE</b>	<p><b>C-Corporations:</b> C-Corporations are required to file as entities on the net profit or loss derived from sales made, work done, services performed or rendered and business or other activities conducted in Kettering, whether or not such corporation has a place of business in Kettering.</p> <p><b>S-Corporations:</b> S-Corporations are required to file as entities on the net profit or loss derived from sales made, work done, services performed or rendered and business or other activities conducted in Kettering, whether or not such corporation has a place of business in Kettering. <b>S-corporations must report net income or net loss at the entity level. Shareholders may not include net income/losses on their individual returns.</b></p> <p><b>Partnerships:</b> Partnerships are required to file as entities on the net profit or loss derived from sales made, work done, services performed or rendered and business or other activities conducted in Kettering, whether or not such partnership has a place of business in Kettering. <b>Non-resident partners may not include any gain or loss on their individual returns.</b></p> <p><b>LLC(s):</b> A limited liability company is required to file consistent with its federal filing status. For example, if the LLC is recognized as a partnership at the federal level, it should file as a partnership at the local level. Single member LLC's that report net profit or loss on Federal Form 1040, Schedule C should file as an individual taxpayer at the local level (on Form KR-1040).</p> <p><b>Miscellaneous Entities:</b> Any undertaking, not specifically defined above, conducting activities or producing income, including but not limited to, rental of real estate and personal property, and a business conducted by a trust or guardianship of an estate that produces a net profit shall be subject to city income tax and is required to file a return as an entity.</p>
<b>NET OPERATING LOSSES</b>	In accordance with Ohio Revised Code Chapter 718.01, losses incurred in tax years 2017 and after are allowed a five (5) year carryforward period. Such losses are also subject to a 50% limitation for tax years 2018 – 2022 under state law.
<b>FEDERAL TAX CREDITS</b>	<b>No Deduction is allowed for federal tax credits;</b> therefore, any such credit (ie. Work Opportunity credit, FICA Tip Credit, etc.) should not be included as a deduction on Schedule X.
<b>DUE DATE</b>	Calendar year tax returns must be filed on or before <b>April 18, 2023</b> . Fiscal year returns are due on the 15th day of the fourth month after the close of the period. All returns 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>Do not remit payment for balance due if the amount is \$10.00 or less.</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. 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 to pay taxes due. Penalty and interest charges will apply to all payments received after the original due date. A copy of an approved federal extension <u>must be</u> attached to your return at the time of filing.</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 18, June 15, September 15, and December 15. Fiscal year taxpayers should substitute corresponding dates. The first quarter estimated tax form is found at the bottom of the income tax return. Subsequent vouchers may be obtained from our website.
<b>OVERPAYMENTS</b>	Overpayments of estimated tax may be refunded or applied to the next tax year liability by making the appropriate designation on the return. 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>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 the return).</p>
<b>ATTACHMENTS TO RETURN</b>	<p><b>Partnerships</b> must attach all pages of the Federal Form 1065 (including all schedules and supporting statements) and copies of all K-1s. <b>Note: Schedules K-1 should include detail regarding each partner's share of city income and income tax paid on each partner's behalf.</b></p> <p><b>Corporations</b> must attach a <u>complete</u> copy of the Federal Form 1120 or 1120S (including all schedules and supporting statements).</p> <p><b>Fiduciaries/Trusts/Estates</b> must attach a <u>complete</u> copy of the Federal Form 1041 (including all schedules and supporting statements).</p>
<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.