

# 2024 Tipp City Business Income Tax Return Instructions

## **Section A 2024 Tax Calculations**

**Line 1:** Enter the Federal starting taxable income from the appropriate federal form as follows:

- Form 1120 - line 28
- Form 1120S - Schedule K, line 18
- Form 1065 - Schedule K "Analysis of Net Income (Loss)", page 5, line 1
- Form 1041 - line 17 (or the equivalent)
- Form 990T - line 30

**Note: Attach Federal Return:** Please include a copy of your federal return to support the figures used on your Tipp City return. Deductions and credits not supported by the proper documentation may be disallowed. Refunds will not be issued until all supporting documents have been received.

**Line 2:** Enter the total dollar amount of items that are not deductible on your city return (page 2, Schedule X, line K) (No deduction is allowed for federal tax credits that reduce corresponding operating expenses).

**Line 3:** Enter the total dollar amount of items that are not taxable on your city return (page 2, Schedule X, line R).

**Line 4:** Adjusted Federal taxable income before apportionment.

**Line 5: Pre-apportioned loss deduction** (from tax years beginning on or after 1/1/19) utilized in this tax year. Enter the total amount of pre-apportioned net operating loss being used. Attach the net operating loss schedule to the return for additional support documentation.

**Line 6:** Enter your pre-apportioned net profit, line 4 less line 5.

**Line 7:** Enter your apportionment percentage from page two, Schedule Y, Step 5.

**Line 8:** Municipal taxable income, line 6 multiplied by line 7.

**Line 9:** Municipal income tax due, line 8 multiplied by 1.5%.

**Line 10:** Enter the amount of estimated tax payments and/or prior-year credit. You may call the tax department Monday thru Thursday between 7am and 6pm at 937-667-8426 to obtain your total estimated payments and credit carryforward.

**Line 11:** If the tax due on line 9 is greater than the total credits on line 10, enter the balance due. If the credits are greater than the tax due, enter zero on line 11 and continue to line 12. If the amount of tax shown due on line 11 is \$10 or less, no payment is due.

**Line 12:** If the total credits on line 10 are greater than the tax due on line 9, enter the amount overpaid (line 12). Next, tell us how you want the overpayment distributed (refunded, credited or split between the two). If the amount of overpayment is \$10 or less, no refund or credit will be granted.

**Line 13a:** Taxpayers may be subject to underpayment penalty and interest if the proper amount of estimated taxes were not paid in on or before December 15 of the current tax year. Please refer to Section 718.08 of the ORC for more details or call the tax department at 937-667-8426 Monday through Thursday between the hours of 7am and 6pm.

**Note:** Underpayment penalties would not apply under these circumstances. 1. The amount of estimated taxes that were paid equals at least 90% of the tax liability for the current taxable year. 2. The amount of estimated taxes that are paid equals at least 100% of the tax liability shown on the return of the taxpayer for the preceding taxable year.

**Line 13b:** If filed after due date, enter the amount of penalty due. The penalty is 15% of the amount shown due on line 11.

**Line 13c:** If filed after the due date, enter the amount of interest due. The applicable interest rate for 2025 is .83% per month. Take the amount reported on line 11 and multiply by .83% and then multiply that result by the number of months the return is late. One month past due runs from the 16<sup>th</sup> day (the day after the due date) to the 15<sup>th</sup> day of the following month. Fractions of a month will be counted as an additional month late.

**Line 13d:** A return filed after the due date shall be subject to a late filing fee of \$25. Said fee is due whether or not there is tax due on the return.

**Please Note:** Accounts on a Federal extension are asked to attach a copy of the extension to the Tipp return when submitted. The Tipp City tax department does not have access to IRS files to know if you are on a valid Federal extension.

**Line 14:** Add the amounts reported on lines 13a, 13b, 13c and 13d. This is your total penalty, interest and late filing fee.

**Line 15:** Add the amounts reported on lines 11 and 14. This is the balance of tax, penalty, interest and late filing fees due. No payment is due if balance is \$10 or less.

## **Section B 2025 Declaration of Estimated Tax**

**(Must be completed by taxpayers who anticipate owing \$200 or more in Tipp City income taxes in tax year 2025.)**

**Line 16:** Enter the amount of estimated income for tax year 2025 and multiply by 1.5%. If the result is less than \$200, estimated payments are not required.

**Line 17:** Multiply line 16 by 25% to determine the amount of estimated tax due for the first quarter.

**Line 18:** Enter the amount of credit carryover from 2024, if any.

**Line 19:** Enter the net estimated tax due, if line 17 less line 18 is greater than zero.

**Total due with this return:** Add lines 15 and 19. Make check payable to Tipp City Tax.

**Sign and date the return.**

Mail your signed return, all supporting documents (W-2(s), Federal return and applicable Federal Schedules) along with your payment to:

Tipp City Tax Department  
260 S. Garber Dr.  
Tipp City, OH 45371

Questions can be directed to the tax department anytime Monday through Thursday between the hours of 7:00 a.m. and 6:00 p.m. using the contact information below:

Phone: (937) 667-8426  
Fax: (937) 667-6734  
[Email: incometax@tippcity.net](mailto:incometax@tippcity.net)

**Disclaimer:** Directions are instructional only. The Tipp City Income Tax Code and the Ohio Revised Code supersede any interpretation presented.