

2008 Instructions for City of Fairfield Individual Income Tax Returns – Form IR

General Information

Filing – ALL FAIRFIELD RESIDENTS 18 years or older, or 16 years and older if working, are required by City Ordinance to file a City tax return each year **on or before** the federal due date, or **APRIL 15th**, WHETHER OR NOT TAX IS DUE. Please be sure to sign the return in the bottom left corner. There is a **\$50.00 late filing penalty** for returns **RECEIVED** after the due date.

Non-Taxable Income (For use with lines 1 and 2) – The following list is not all inclusive. For all other items, please contact the Income Tax Division at **(513) 867-5327**.

- Interest & dividends
- Alimony received
- Capital gains
- Income from S-Corporations
- Welfare, State Unemployment & Social Security Benefits
- Income from qualified pension and annuity distributions
- Insurance and/or life insurance proceeds
- Royalties generated by intangible property
- Worker's Compensation
- Military pay
- Stock options
- Lottery and gambling winnings

Extensions To File – Submit a copy of the federal extension or Fairfield Extension Request Form to the Income Tax Division on or before **April 15, 2009**. A payment equal to the amount estimated to be owed **must** accompany the extension request. If the estimated payment is not consistent with the final filing, interest and penalty will be charged. **Failure to provide an extension request by APRIL 15, 2009 will result in a \$50.00 minimum penalty and if applicable, interest charges at 1% per month.**

Questions – Questions regarding Fairfield income taxes, please contact the Income Tax Division at (513) 867-5327 or walk-in assistance is available from 8:00 a.m. to 5:00 p.m., Monday through Friday in the Fairfield Municipal Building Annex, 701 Wessel Drive, Fairfield, OH 45014-3611. Tax forms are also available on our website: www.fairfield-city.org/Finance/tax.

General Line by Line Instructions (If your situation does not fit these general instructions, please contact our office.)

Retirees – If without taxable income, enter your SS#, place an “x” in the box (above Filing Status), sign, date and return the form.

Filing Status – Check the appropriate box for filing status.

1. Enter the total of qualifying wages from all W-2 forms for the tax year. Each W-2 form should be examined as the local wage should equal the Medicare wages (Box 5 on W-2). Qualifying wages **INCLUDE** 401K contributions, deferred annuity plans, but **EXCLUDE** stock options.
2. Enter Total other taxable or deductions amount from line 23. See lines 15-23 to determine applicability. Part-year residents refer to the instructions for line 22.
3. Enter sum of lines 1 and 2. **Note: Losses are not deductible from wage income.** Only Employee business expenses and/or wages earned outside the City of Fairfield while a non-resident are allowed to be deducted from wages.
4. Multiply line 3 by 1.5% (.015). This is the tax liability for Tax Year 2008.
- 5A. Enter taxes withheld for Fairfield by employer(s). The amount should be located in box 19 of the W-2. **If the W-2 does not indicate the local taxing city(ies), the information must be requested from the employer. City credit will be DISALLOWED if local taxing city(ies) are not identified.**
- 5B. Enter taxes withheld for other cities by the employer(s). **Credit is permitted for taxes withheld up to 1.5% (.015)** of the portion of wages taxed by the other municipality since those tax dollars remain in the city to which they were paid. For example, tax withheld (Box 19) divided by that city's tax rate equals portion of income taxed. Multiply that income by 1.5% (.015) to equal the allowable credit. **Credit for taxes paid to other municipalities MUST BE CALCULATED SEPARATELY on each W-2.** Part-year residents refer to the instructions for line 22.
- 5C & 5D. Enter any credit received or requested from the 2007 Fairfield Return (line 5C). Indicate any estimated payments made directly to the City of Fairfield for Tax Year 2008 (line 5D). 5E. Enter the sum of lines 5A through 5D.
6. If line 4 is greater than line 5E, enter the difference on this line. If the sum is one dollar (\$1.00) or more, this is the outstanding tax balance for 2008. **Full payment must be received on or before April 15, 2009.** Any tax remaining unpaid after the due date is subject to interest and penalties per the City Ordinance. If paying by check, make it payable to **“FAIRFIELD INCOME TAX”**. If paying by MasterCard, Visa, or Discover Card make sure to include the expiration date.
7. If line 5E is greater than line 4, there is an overpayment. If it is one dollar (\$1.00) or more, please indicate if the amount is to be refunded on line 7A or credited toward Tax Year 2009's tax liability on line 7B.
- 8 - 14. **Declaration of Estimated Tax for 2009** – This section must be completed if estimated tax paid is less than 90% of all the tax liability and the amount owed is greater than \$200. To determine if this section applies, divide line 5E by line 4, if the percentage is less than 90%, and then subtract line 5E from line 4. If the difference is \$200 or greater, complete this section.
 8. Enter estimated income for 2008 on the first line and multiply it by 1.5% (.015) and enter it on the second line.
 9. Enter estimated taxes withheld / paid to City of Fairfield or other cities.
 10. Enter difference from Line 8 and line 9. If the balance is **less than \$200**, then estimated payments are not required. If the balance is **greater than \$200**, this amount **MUST** be paid by January 31, 2009 in order to avoid interest and penalty.
 11. Multiply Line 10 by 22.5% (.225).
 12. Enter amount requested to be credited from line 7B above.

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8 - 14. Declaration of Estimated Tax for 2009 – Continued

13. Enter difference from Line 12 and Line 11. If the total is less than zero, enter 0.00; however if the total is greater than zero (0.00), then enter the difference.
14. Enter the sum of Line 6 and line 13. If paying by check, make it payable to “FAIRFIELD INCOME TAX”. If paying by MasterCard, Visa, or Discover Card make sure to include the expiration date.

Paid Preparer Box – By checking “YES” we are authorized to discuss *this* return with the preparer listed on the return.

15. Enter any taxable income that has not been reported on a W-2 or Federal Schedule, C, or E. **Income on 1099-INT, 1099-R, and 1099-D is not taxable. Attach the appropriate form(s) 1099-MISC, front page of 1040, etc.**
- 16A – 16B. Enter the net profit (loss) from a business. List the business name, address, date started and/or ended and profit/loss for each business. Attach additional listings if more than 2 businesses. **Federal Schedule “C” must be attached.** Attach additional copies of page 2 if you have more than two Schedule C businesses.
- 16C. Enter the sum of lines 16A – 16B.
- 17A – 17D. Enter the net profit (loss) from a rental property for each location. Rentals must include exact location to allow the loss. **Federal Schedule “E” must be attached.** Attach additional copies of page 2 if you have more than five (5) rental properties.
- 17E. Enter sum of lines 17A – 17D.
- 18A – 18C. Enter the net profit (loss) from partnerships. Partnership information must include name, federal identification and address. Partnerships must include exact location to allow the loss. **Federal Schedule “E and “K-1s” must be attached.** Attach additional copies of page 2 if you have more than four (4) partnerships.
- 18D. Enter the sum of lines 18A – 18D.
19. Enter the sum of lines 15, 16C, 17E and 18D. This represents the total of Other Taxable income, Schedule “C”, and Schedule “E” profits (loss). If this amounts to a loss, **the loss is NOT PERMITTED to be a deduction against W-2s or 1099 income.** However, a loss may be carried forward to offset any Schedule “C” or Schedule “E” profits incurred during the next three (3) tax years or until such loss has been exhausted.
20. Enter any prior loss carry forward from previously filed Fairfield returns (attach schedule). Losses that have been exhausted against prior profits may not be used.
21. If line 19 is a loss or less than line 20, enter zero (0.00) otherwise subtract line 20 from line 19. 22A – 22D. Deductions that may be taken against taxable income include: 2106 Employee Business Expenses, Moving Expenses, and Part-Year Residency (please contact the income tax office for items not listed).
- 22A. **Business Expense** – all Federal Form 2106 Employee Business Expenses must be adjusted to the portion of taxes paid directly to Fairfield. For example, if a portion of the qualifying wages for which expenses are being claimed against were taxed and paid to another city we are required to reduce the allowable tax credit for that city by the available refund. **Form 2106 must be attached** and supporting schedules and/or receipts must be furnished upon request or deduction will be disallowed.
- 22B. **Moving Expenses** – Moving expenses on Federal Form 3903 may be deducted only if incurred with job-related transfers when moving into Fairfield. **Form 3903 must be attached** in order to receive the deduction.
- 22C. **Part-Year Residents** – A deduction is allowed for part of the qualifying wages that was earned prior to moving into or after moving out of the City of Fairfield. An exact move-in/move-out date must be provided on the return to allow the deduction. If those wages are specific to a particular W-2, please clearly mark the applicable W-2 or attach a pay stub or a letter from the employer to verify the actual amount. If the actual amount cannot be determined, the income must be pro-rated based on the number of months NOT in Fairfield.
- To calculate an income deduction**, take the qualifying wages multiplied by the months outside of Fairfield, and divide that number by 12 months. This figure is the wage deduction. Enter this figure on line 22A, B or C.
- To calculate a credit deduction**, take tax withheld (Box 19) divided by the city’s tax rate equals portion of income taxed. Take that income multiplied by 1.5% (.015) to equal the allowable credit. Multiply the allowable credit by the months outside of Fairfield then divide it by 12 months to equal the prorated credit deduction. This amount needs to be deducted from the allowable credit on that W-2. This equals the amount to be included on line 5B.
- 22D. Enter the sum of lines 22A – 22C.
23. Subtract line 22D from line 21. Enter final amount on line 2 on Fairfield Return.

Penalty and/or Interest, if applicable, will be calculated by the Income Tax Division. Penalties include: Late Filing - \$50; Estimated Tax (see Lines 8-14) - \$50; Late Payment – greater of \$50 or 2% per month for up to twelve months past original due date OR 5% per month if over twelve months on the outstanding balance. Interest is 1% per month on the outstanding balance.

File with Fairfield Income Tax
701 Wessel Drive
Fairfield OH 45014-3611
(513) 867-5327
Fax (513) 867-5333

CITY OF FAIRFIELD INDIVIDUAL INCOME TAX RETURN 2008

FORM IR

Forms available at
www.fairfield-city.org

FISCAL PERIOD _____ OR _____ TO _____

CALENDAR YEAR TAXPAYERS FILE ON OR BEFORE APRIL 15TH
AND FISCAL YEAR TAXPAYERS FILE BY THE 15TH DAY OF THE
FOURTH MONTH AFTER THE CLOSE OF THE PERIOD.

Your social security number

Spouse's social security number

Resident | Date moved in _____
 Non Resident | Date moved out _____
 Sole Proprietor

City of Employment _____

Phone # _____

PROVIDE NAME & ADDRESS OR CHANGES BELOW

IF TAXPAYER AND SPOUSE ARE FULLY RETIRED AND WITHOUT TAXABLE INCOME, PLACE AN X IN THE BOX, COMPLETE SIGNATURE SECTION BELOW.

FILING STATUS Single
 Married filing joint return (even if only one had income). Did you file joint or separate last year? Joint Separate
 Married filing separate return. Enter spouse's social security number above and full name here: ► _____

INCOME

1. Total W-2 wages. **W-2s MUST BE ATTACHED** 1 \$ _____
2. Other Taxable Income or Deductions from Line 23* from side two (back) of this form 2 \$ _____
3. Total Taxable Income 3 \$ _____

TAX

4. Fairfield Tax is 1.5% (.015) of Line 3 4 \$ _____

TAX WITHHELD, PAYMENTS AND CREDITS

5. Tax Credits: **Credit will only be given with proper documentation.**

A. Fairfield income tax withheld.....5A \$ _____
B. Income tax withheld/paid to other cities (**1.5% maximum**) 5B \$ _____
C. Prior year overpayments 5C \$ _____
D. Estimated payments..... 5D \$ _____
E. Total tax credits (Lines 5A through 5D) 5E \$ _____

BALANCE DUE

6. **Balance Due**, if Line 4 is greater than Line 5E. Subtract Line 5E from Line 4 6 \$ _____
7. **Overpayment**, if Line 4 is less than Line 5E. Subtract Line 4 from 5E 7 \$ _____
A. **REFUND** amount 7A \$ _____
B. **CREDIT** amount 7B \$ _____
(Amounts less than \$1.00 are not paid, refunded, or credited).

DECLARATION OF ESTIMATED TAX FOR 2009 (See Instructions for requirements)

ESTIMATE FOR NEXT YEAR

8. Total income subject to tax \$ _____ multiply by tax rate of 1.5% (.015) 8 \$ _____
9. Estimated income tax to be withheld or paid to other cities 9 \$ _____
10. Estimated tax due (Line 8 minus Line 9). If less than \$200, estimated payments are not required 10 \$ _____
11. First quarter estimated tax payment (minimum of 22.5% (.225) of Line 10) 11 \$ _____
12. Prior year tax credit from Line 7B above..... 12 \$ _____
13. If Line 12 is greater than Line 11, enter 0, otherwise enter amount of Line 11 less Line 12 13 \$ _____

TAX DUE

14. **TOTAL TAX DUE** (Lines 6 and 13) 14 \$ _____

PAYMENT BY CREDIT CARD (Check One) No. _____
 PAYMENT BY CHECK: Payable to Fairfield Income Tax Exp. Date: _____

SIGNATURE(S) REQUIRED

The undersigned declares that this return (and accompanying schedules) is true, correct and complete for the taxable period stated and that the figures used herein are the same as used for Federal Income Tax purposes.

May we discuss return with your tax practitioner? (Check One) Yes No

SIGNATURE OF TAXPAYER DATE

SIGNATURE OF TAXPAYER DATE

SIGNATURE OF PREPARER, IF OTHER THAN TAXPAYER DATE

NAME AND ADDRESS OF PREPARER TELEPHONE NUMBER

FOR TAX DIVISION USE ONLY

Date _____

Tax Bal _____

Interest _____

Penalty _____

Total _____

ATTACH W-2'S HERE

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

OTHER TAXABLE INCOME OR DEDUCTIONS

Other Taxable Income (attach Form)

15. Taxable income not reported on a W-2 form 15 \$ _____
 (Income on 1099-INT, 1099-R, 1099-D, 1099-G and W2-P are not taxable.)

Schedule C (Business Operations) Profit/Loss (attach Federal Schedule)

16. Schedule C

A. Business Name 16A \$ _____
 Business Address
 Date Started Date Ended

B. Business Name 16B \$ _____
 Business Address
 Date Started Date Ended

C. Total Schedule C Profit/Loss 16C \$ _____

Schedule E (Rental and/or Partnership) Profit/Loss. S-Corporations are excluded from individual's income. (attach Federal Schedule and K-1s.)

17. Rental Property – Losses without an exact location will be disallowed.

A. Address 17A \$ _____
 City/State/Zip

B. Address 17B \$ _____
 City/State/Zip

C. Address 17C \$ _____
 City/State/Zip

D. Address 17D \$ _____
 City/State/Zip

E. Total Rental Profit/Loss 17E \$ _____

18. **Partnership Income/Loss** – Applicable losses without exact locations will be disallowed.

A. Partnership Name/ID 18A \$ _____
 Address

B. Partnership Name/ID 18B \$ _____
 Address

C. Partnership Name/ID 18C \$ _____
 Address

D. Total Partnership Profit/Loss 18D \$ _____

19. Total business profit/loss (Line 16C, Line 17E and Line 18D). If a loss, the amount can be carried forward for maximum of three (3) years to offset future business profit/loss and can NOT be used to offset W-2 wages or 1099 19 \$ _____

20. Prior business loss from previously filed tax returns. Limited to the last three (3) years. **(Attach Schedule)** 20 \$ _____

21. Net business profit/loss if Line 19 is less than zero or less than Line 20, enter zero (0.00).
 Otherwise subtract Line 20 from Line 19 21 \$ _____

Other Deductions [Non-Resident Wages and or Employee Business Expenses (Form 2106) include forms & calculations]

22. Deductions and non-taxable income (see instruction sheet for details)

A. 22A \$ _____
 B. 22B \$ _____
 C. 22C \$ _____
 D. Total deductions and non-taxable income 22D \$ _____

23. Total other taxable income or deductions (Line 15 plus Line 21 minus Line 22D. Enter this amount on Line 2* 23 \$ _____

***NOTE: LOSSES ARE NOT DEDUCTIBLE FROM WAGE INCOME.** Only Employee business expenses (attach Form 2106) and/or wages earned outside the City of Fairfield while a non-resident are allowed to be deducted from wages.

2**2009 CITY OF FAIRFIELD DECLARATION OF ESTIMATED TAX
2ND QUARTER STATEMENT DUE BY 7/31/2009**

Please Insert Name & Address <input type="checkbox"/> Address Change Name: _____ C/O: _____ Address: _____ City: _____ State: _____ Zip: _____	Account, Social Security or Federal ID #: <div style="border: 1px solid black; height: 30px; width: 100%;"></div> Annual/Amended Estimate: \$ _____ Amount Paid this Quarter: \$ _____
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VISA/MasterCard/Discover Accepted



Card # _____

Exp. Date _____

Name on Card _____

Signature _____

To determine if this transaction will be treated as a cash advance when paid to CITY OF FAIRFIELD TAX, please check with your credit card issuing company.

MAKE REMITTANCE PAYABLE TO FAIRFIELD INCOME TAX,
701 WESSEL DRIVE, FAIRFIELD, OH 45014-3611 • (513) 867-5327

NOTE: It is the taxpayer's responsibility to file the declaration and make payments by the specified due dates.
Failure to meet the 90% requirement by January 31, 2010 will result in the assessment of a \$50 penalty.

3**2009 CITY OF FAIRFIELD DECLARATION OF ESTIMATED TAX
3RD QUARTER STATEMENT DUE BY 10/31/2009**

Please Insert Name & Address <input type="checkbox"/> Address Change Name: _____ C/O: _____ Address: _____ City: _____ State: _____ Zip: _____	Account, Social Security or Federal ID #: <div style="border: 1px solid black; height: 30px; width: 100%;"></div> Annual/Amended Estimate: \$ _____ Amount Paid this Quarter: \$ _____
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VISA/MasterCard/Discover Accepted



Card # _____

Exp. Date _____

Name on Card _____

Signature _____

To determine if this transaction will be treated as a cash advance when paid to CITY OF FAIRFIELD TAX, please check with your credit card issuing company.

MAKE REMITTANCE PAYABLE TO FAIRFIELD INCOME TAX,
701 WESSEL DRIVE, FAIRFIELD, OH 45014-3611 • (513) 867-5327

NOTE: It is the taxpayer's responsibility to file the declaration and make payments by the specified due dates.
Failure to meet the 90% requirement by January 31, 2010 will result in the assessment of a \$50 penalty.

4**2009 CITY OF FAIRFIELD DECLARATION OF ESTIMATED TAX
4TH QUARTER STATEMENT DUE BY 1/31/2010**

Please Insert Name & Address <input type="checkbox"/> Address Change Name: _____ C/O: _____ Address: _____ City: _____ State: _____ Zip: _____	Account, Social Security or Federal ID #: <div style="border: 1px solid black; height: 30px; width: 100%;"></div> Annual/Amended Estimate: \$ _____ Amount Paid this Quarter: \$ _____
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VISA/MasterCard/Discover Accepted



Card # _____

Exp. Date _____

Name on Card _____

Signature _____

To determine if this transaction will be treated as a cash advance when paid to CITY OF FAIRFIELD TAX, please check with your credit card issuing company.

MAKE REMITTANCE PAYABLE TO FAIRFIELD INCOME TAX,
701 WESSEL DRIVE, FAIRFIELD, OH 45014-3611 • (513) 867-5327

NOTE: It is the taxpayer's responsibility to file the declaration and make payments by the specified due dates.
Failure to meet the 90% requirement by January 31, 2010 will result in the assessment of a \$50 penalty.