

## Updates

1. Online payments and E-file are coming for the 2019 tax season. Visit the website for updates and release dates.
2. Document drop off will be available again this tax season. To utilize the drop off, all required documents must be included in the folder. We will complete the return for you and send for your signature(s). Once the signed return is received, the return will be considered filed. Please note, any tax balance received after April 15th is subject to Penalty and Interest.
3. All returns must include a copy of the Federal 1040, applicable schedules and signatures to be accepted. Returns received without the required documents or signature will be rejected.

## Quick Tips

- **File by the Due Date:** Fairfield returns are due on or before **April 15, 2020**, and must be postmarked by this date. The deadline for filing Fairfield returns is the same as for filing State returns. A copy of the Federal extension must be submitted with the return when filed.
- **Use Box 5:** Taxable wages are generally Box 5 (Medicare Wages). Use Box 5 of the W-2 to report wages on line 1 of tax return.
- **Attach All Supporting Documents:** Attach all documents including a complete copy of your 1040, W-2(s), W-2G, 1099MISC, Schedules C, E, and F, K-1(s) and form 4797.
- **Sign your return:** If filing joint, both parties must sign the return. A return is not considered filed if it is missing signature(s).
- **Include payment:** Payments are due by the **April 15<sup>th</sup>** filing deadline. **Extensions provide additional time for filing, not payment.**
- **Part-Year Residency:** Taxpayers who move in or out of Fairfield during the tax year need to provide dates on the return along with your new address.

We are happy to assist you in preparing your Fairfield tax return. We offer walk-in service Monday through Friday from 8:00AM to 5:00PM. Please bring your income information to our office as soon as you receive it. **File early for immediate assistance. It is not recommended to wait until closer to the filing deadline.** We are located behind the Fairfield Municipal Building, across from the Fairfield Post Office and next to Veterans Memorial Park.

### For forms & additional instructions,

Please visit our website at

<http://www.fairfield-city.org/213/Income-Tax-Division>

# 2019 Instructions for City of Fairfield Individual Income Tax Returns – Form IR

Attach a copy of Federal Income Tax Return form 1040, 1040A, or 1040EZ to your Fairfield return.

## General Information

**Filing** – ALL FAIRFIELD RESIDENTS (including part year) 18 years or older, are required by City Ordinance to file a City tax return each year **on or before** the federal due date, or **APRIL 15<sup>th</sup>**, WHETHER OR NOT TAX IS DUE. Please be sure to sign the return in the bottom left corner. There is a **late filing penalty of \$25.00 a month not to exceed \$150.00** for returns postmarked 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 • Welfare, State unemployment & Social Security benefits • Worker's Compensation • Alimony received • Income from qualified pension and annuity distributions • Military pay • Capital gains • Insurance proceeds • Stock options • Income from S-Corporations • Royalties generated by intangible property.

**Extensions To File** – Any taxpayer that has duly requested an automatic six-month extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. The extended due date of the municipal income tax return shall be the fifteenth day of the tenth month after the last day of the taxable year to which the return relates. **An extension of time to file is not an extension of the time to pay any tax due.** A payment equal to the amount estimated to be owed **must** be paid by April 15<sup>th</sup>. If the estimated payment is not consistent with the final filing, interest and penalty will be charged. A taxpayer that has not requested or received a six-month extension for filing the taxpayer's federal income tax return may request that the tax administrator grant a six-month extension of the date for filing the taxpayer's municipal income tax return by filing an extension request with the tax administrator on or **before the date the municipal income tax return is due.** A copy of the Federal/Municipal extension must be included with the return when filed.

**Questions** – If you have questions regarding Fairfield income taxes, please contact the Income Tax Division at (513) 867-5327. 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: <http://www.fairfield-city.org/213/Income-Tax-Division>.

## General Line-by-Line Instructions

*(If your situation does not fit these general instructions, please contact our office. Round all amounts to whole dollars.)*

**Taxpayer Information** – Print or type name and current address, social security number(s) and check residency status. Provide move-in and move-out dates, if applicable.

**Retirees** – If without taxable income, enter your Social Security number; place an "x" in the box (above Filing Status), attach the Federal 1040, sign, date and return the form.

**Filing Status** – Check filing status. Provide spouse information (name and address) if married filing separate.

1. Enter the total of qualifying wages in **WHOLE DOLLARS** from all W-2 forms (Generally Box 5), **including W-2G**. Each W-2 form should be examined and the sum of local wages should equal the Medicare wages (Box 5 on W-2). Qualifying wages generally INCLUDE 401K contributions, deferred annuity plans, but EXCLUDE stock options. Income reported on a 1099-R is not taxable. If no wage is in Box 5, use the higher of: Box 1 plus deferred compensation (Box 12), or Box 18. **Lottery and gambling winnings are taxable to Fairfield effective January 1, 2016.**

2. Enter total other taxable income in **whole dollars** or deductions amount from page 2 line 7. See instructions for page 2 lines 1-7 to determine applicability.

3. Enter sum of lines 1 and 2 in **whole dollars**. **Note: Losses are not deductible from wage income.** Only active duty military pay and 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 2019 in **whole dollars**.

5. Enter the amount of Estimated Tax payments made to Fairfield in 2019.

6. Enter taxes withheld to Fairfield. This amount is located in Box 19 of the W-2.\*

7. Enter over-payments from prior years to be used in 2019

8. Enter taxes withheld to other cities. 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. If that city's rate is greater than 1.5%, multiply that income by 1.5% (.015) to equal the allowable credit. **No credit shall be allowed without proper documentation (W-2s or other city returns).**

**Credit for taxes paid to other municipalities MUST BE CALCULATED SEPARATELY on each W-2. No credit shall be allowed for taxes paid to county or school districts or amounts refunded by other municipalities. Line 7 cannot be greater than line 4. \*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) is not identified.**

9. Add lines 5 through 8

10. If line 4 is less than line 9, there is an overpayment. If the overpayment is greater than ten dollars (\$10.00), please indicate if the amount is to be credited to 2020 on line 11 or refunded on line 12. Please also check the correct "credit requested" or "refund requested" box at the top right of the form.

13. If line 4 is greater than line 9, there is a balance due; (Interest and penalties shall be calculated by the tax office, if applicable.) No remittance is required if the amount shown to be due is ten dollars or less. If the sum is greater than ten dollars (\$10.00), this is the outstanding tax balance for 2019. **Full payment must be received on or before April 15<sup>th</sup>**. 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 make sure to include the expiration date and three digit CCV code which can be found on the back of the card.

**Declaration of Estimated Tax for 2020** – This section must be completed if line 13 is \$200.00 or more.

**15.** Enter estimated income for 2019 in **whole dollars** on the first line, multiply it by 1.5% (.015) and enter it on the second line. Use line 3 income unless 2020 income will be more or less.

**16.** Enter estimated taxes withheld / paid to City of Fairfield or other cities.

**19.** Enter the amount after subtracting line **17** and line **18** from line 16. If the balance is **less than \$200**, then estimated the balance is **equal to or greater than \$200**, this amount must be paid in quarterly installments due on April 15, 2020, June 15, 2020 September 15, 2020 and January 15, 2021.

**20.** Multiply line 19 by 25% (.225) and enter in **whole dollars**.

**21. TAX DUE** – Enter the sum of line 13, 14, and 20. If paying by check, make it payable to **“FAIRFIELD INCOME TAX”**. If paying

by Discover, MasterCard or Visa, make sure to include the total amount paid, cardholder name, card number, expiration date and three digit CCV code which can be found on the back of the card.

**SIGNATURE(S)** – Return is not considered complete unless signed. If you are filing a joint return, your spouse must also sign.

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

#### **Form IR, Page 2**

#### **Other Taxable Income**

**1.** Enter any taxable income that has not been reported on a W-2, or federal schedules C, E, or F. **Include any income less than \$600.00 (not reported on 1099-MISC) and 1099-MISC income. Income from 1099-A through 1099-LTC is not taxable. Lottery and gambling winnings are taxable to Fairfield effective January 1, 2016.**

#### **Schedule C or F**

**2A – 2B.** Enter the net profit (loss) from a business or farm. List the name, address, start date, end date (if applicable), and profit/loss for each business/farm. **Federal Schedules C or F must be attached.** Attach additional copies of page 2 if you have more than two Schedules C or F.

**2C.** Enter the sum of lines 18A – 18B.

#### **Schedule E**

**3A – 3D.** Enter the net profit (loss) from 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 four (4) rental properties. Landlords must also submit landlord tenant reports as required by § 181.14 - REPORTS ARE REQUIRED ON TENANTS AND LESSEES. The Landlord Tenant reporting form is located at:

[www.fairfield-city.org/DocumentCenter/View/217/Landlord-Tenant-Report-Interactive-PDF](http://www.fairfield-city.org/DocumentCenter/View/217/Landlord-Tenant-Report-Interactive-PDF)

**3E.** Enter sum of lines 19A – 19D.

**4A – 4C.** 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. **Attach Federal Schedule E, including schedule K-1 (1065 & 1041).** Attach additional copies of page 2 if you have more than three (3) partnerships.

**4D.** Enter the sum of lines 20A – 20C.

**5.** Enter the sum of lines 2C, 3E and 4D. This represents the total of Schedule C, E and F profits (loss). If this amounts to a loss, **the loss is NOT PERMITTED to be a deduction against W-2s.** However, generally, a loss may be carried forward to offset any Schedule C, E and F profits incurred during the next five (5) tax years, or until such loss has been exhausted.

**6.** 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.

**7.** If line 5 is less than zero or less than line 6, enter zero (0.00), otherwise subtract line 6 from line 5.

**Total (To Be Reported on Line 2.)**