0. **UNINCORPORATED BUSINESS ACTIVITY**: The net loss from an unincorporated business activity may not be used to offset salaries, wages, commissions or other compensation. However, if a taxpayer is engaged in two or more taxable business activities to be included on the same return, the net loss of one unincorporated business activity may be used to offset the profits of another for purposes of arriving at overall net profits. Losses may be carried for not more than one (1) taxable year. If carried forward loss is used, attach documentation reflecting same.

10. **AMENDED RETURNS**: Amended returns are accepted by completing an income tax return with the words “Amended Return” written across the top and indicating the year being amended. There is a three year limitation on amended returns for expected refunds.

11. **ESTIMATED TAX PAYMENTS**: Every person who anticipates any taxable income which is not subject to withholding of Pickerington income tax or who engages in any business, profession, enterprise or activity subject to Pickerington taxation shall file and pay estimated tax, if the amount of tax estimated is $50.00 or more. Such payments are due on April 15, July 15, October 15 and December 15. The estimated tax form is found at the bottom of the income tax form and the first installment is due with the filing of said form. Vouchers for remaining payments are available on the city’s website. A declaration and payment of estimated tax which is less than the SAFE HARBOR amount of ninety percent (90%) of the tax owed on the final return OR one hundred percent (100%) of the previous year’s tax shall not be considered in good faith and the difference shall be subject to penalties and interest. $25.00 fee will be assessed for non-compliance plus interest of 1-1/2% per month calculated from the time the estimated payment was due and penalty of 10% of the amount owed.

12. **FILE YOUR RETURN BY APRIL 15**. If delinquent, a late filing fee of $25.00 may be assessed.

INCLUD PAYMENT OF ANY TAX DUE. NONPAYMENT WILL INCUR INTEREST CHARGES OF 1-1/2% PER MONTH UNTIL PAID AND A 10% PENALTY CHARGE.

13. **EXTENSIONS**: Any taxpayer that has requested an extension for filing a federal income tax return may request an extension for the filing of the Pickerington income tax return. Such request may be made by filing a copy of the taxpayer's federal extension form with the Pickerington Tax Office by the original due date of the return. The extension will not extend the due date of the tax owed and any late payment of tax will be subject to interest of 1-1/2% per month and a 10% penalty. The Tax Office may deny an extension request if the taxpayer fails to timely file the request, fails to file a copy of the request for federal extension, owes any delinquent tax, penalty, interest, or assessment or has failed to file any required income tax return, report, or other related document for a prior tax period. Be advised that the due date for the filing of the current year declaration of estimated tax, if required, will not be extended.

14. **DISCLAIMER**: Definitions and instructions are illustrative only. Chapter 882 of the Pickerington Codified Ordinance supersedes any interpretation presented.

**ATTACHMENTS REQUIRED**: Copies of all applicable W-2’s, 1099’s, IRS schedules and forms must be attached to the City of Pickerington income tax form at the time of filing. Documentation is necessary to verify all amounts of taxable or non-taxable income, expenses and deductions as applicable to the Pickerington return. Failure to attach all necessary documentation may result in the return being considered incomplete and could result in the disallowance of expenses, deduction, or the exclusion of non-taxable income.
INSTRUCTIONS FOR PREPARING CITY OF PICKERINGTON 2014 INCOME TAX RETURN

Line 1. Enter total amount of qualifying wages, salaries and other employer compensation. If you have multiple W-2’s, complete Worksheet A on back of return (Attach all W-2’s and 1099’s).

Line 2. Enter the amount of other income from Section 1 from the back of the return, but not less than -0-. (Attach all supporting Federal Schedules).

Line 3. Add lines 1 and 2.

Line 4. Use this space to enter income exempt from taxation from Section 2 on the back of the return. This would include part-year resident income, 2106 expenses, moving expenses when reimbursed by an employer and reported on a federal W2 form. Please attach appropriate documentation. See general information #3 for partial year calculations if exact figures are not available.

Line 5. Subtract line 4 from line 3.

Line 6. Multiply line 5 by 1% (.01).

Line 7. Enter tax withheld for Pickerington from W-2’s. (Do not include school tax)

Line 8 & 9. Enter any prior year credits or estimated payments.

Line 9a. Enter any payments made by a Partnership, S-corp etc. on behalf of the taxpayer.

Line 10. Enter residents credits from Section 3 from the back of the return. Partial year residents must figure credit on partial year income. If any portion of the taxes paid to the work city has been or will be refunded, credit is not allowed on the wages represented by that portion.

Line 11. Add lines 7 through 10.

Line 12. Subtract line 11 from line 6. If line 11 is less than line 6, enter balance due. If line 11 is greater than line 6, skip line 13, 14, 15, (except in the case of a late filed return) and enter overpayment on line 16.

Line 13, 13a. Enter penalty, interest, late filing fee, and failure to estimate penalty, if applicable.

Line 13b & 14. Penalty = 10% (.10) X Balance Due = Line 13
Interest = 1-1/2% (.015) X Balance Due X # of months late = Line 14

Line 15. Add line 12, 13, 13a, 13b and 14.

Line 16. If line 11 is greater than line 6, enter overpayment.

Line 17. Indicate disposition of overpayment either by refunding or crediting the overpayment to next year or back to a previous year.

NOTE: If City of Pickerington tax is fully withheld and estimated payments are not required, STOP HERE, check box, sign and date the return and mail. If joint return and only one taxpayer is having Pickerington tax withheld, the other must estimate on his/her income only.

Line 18. Through 23. Complete only if you are required to make estimated payments. Estimated payments are required for those individuals who anticipate a tax liability of $50.00 or more on any taxable income which is not subject to withholding of income tax for Pickerington.

Line 24. Enter amount from line 15.

Line 25. Add line 23 and line 24. Make checks payable to the City of Pickerington.

TAXABLE INCOME
1. Qualifying wages, salaries and other compensation.
2. Bonuses, tips and tips income.
3. Commissions, fees and other income.
4. Sack pay (including third party sick pay if employer paid premium).
5. Employer supplemental unemployment benefits (SUB pay).
6. Employer contributions to retirement plans and tax deferred annuity plans (including Sec. 401k, Sec. 403B, Sec. 457B, etc.)
7. Net rental income.
8. Net profits of businesses, professions, corporations, pass-through-entities, etc.
9. Income from partnerships, estates or trusts.
10. Employee contributions to costs of fringe benefits.
11. Ordinary gains as reports on federal form 4797.
12. Income from wage continuation plans (including retirement incentive plans and severance pay).
14. Stock options (taxed when exercised, usually valued at market price less option price on the date the option is exercised).
15. Farm net income.
16. Employer paid premiums for group term life insurance over $50,000 (PS 58).
17. Compensation paid in goods or services or property usage, taxed at fair market value.
18. Contributions made on behalf of employees to tax deferred annuity programs.
19. Income from guaranteed annual wage contracts.
20. Prizes and gifts if connected with employment to the same extent as taxable for Federal Income Tax purposes.
21. Director fees.
22. Income from jury duty.
23. Union steward fees.
25. Profit sharing, if from a non-qualified plan, or if paid as a type of bonus.
26. Lottery winnings of $5,000 or more.
27. Reimbursements in excess of deductible expenses.
28. Employee provided educational assistance (taxable to the same extent as for federal tax pursuant to the Technical & Miscellaneous Revenue Act of 1988).
29. Income deemed as taxable per Federal Code Section 89.
30. Compensatory damages awarded in lawsuits.
31. Income from covenant not to compete clause.
32. Net profits derived from the operation of oil and gas wells.

NON-TAXABLE INCOME
1. Interest or dividend income.
2. Welfare benefits.
3. Social security.
4. Income from qualified pension plans.
5. State unemployment benefits.
6. Worker’s compensation.
7. Contributions made by or on behalf of employees to cafeteria plans (Sec. 125, etc.).
8. Proceeds of life insurance.
10. Military pay (including National Guard and reserve pay).
11. Earnings of persons under 18 years of age.
13. Lottery winnings under $5,000.
14. Prizes or gifts not connected with employment.
15. Income of religious, fraternal, charitable, scientific, literary or educational institutions to the extent that such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property or tax-exempt activities.
17. Royalties derived from intangible property.
18. Annuity distributions.
19. Housing allowances for clergy to the extent that the allowance is used to provide a home.
20. Health & welfare benefits distributed by governmental, charitable, religious or educational organizations.
21. Compensatory insurance proceeds derived from property damage or personal injury settlements.
22. Punitive damages awarded in lawsuits.
23. IRA, distributions from Pension Plans, Annuities, Retirement or Profit-Sharing Plans.
24. Scholarships or Work Study Programs exempt from proper submission of paperwork from College indicating type of compensation and amount.
25. Personal earnings of mentally retarded and developmentally disabled employees earning less than the minimum hourly wage while employed at government sponsored sheltered workshops.
26. 1099-G Refunds.
27. Cancellation of indebtedness.

Above lists are not all-inclusive. For items not listed contact the Income Tax Division for clarification. Phone (614) 837-4116.