

## CITY OF TIFFIN INFORMATION FOR TAXPAYERS

**WHO MUST FILE:** Every Resident, full or partial year, 18 years of age and older, must file a tax return, whether or not taxes are due, unless that resident is retired with no earned income. See definition of earned income in the RETIREE section below.

Every Business Entity, whether a resident or non-resident, that conducts a business in Tiffin must file a return and pay any tax on that profit. If you have a net loss you are still required to file a return. (“Business” includes rental income.)

Individuals, earning income in Tiffin not subject to the withholding of Tiffin income tax must also file a return.

In January, letters or postcards are mailed to every Tiffin resident who is on file with our office. If you receive a letter or postcard, you are required to file. While every effort is made to notify all taxpayers required to file, it is the taxpayer’s responsibility to obtain a form. The tax forms can be obtained in the tax office any time during business hours, from the Tiffin-Seneca Public Library or the Tiffin Post Office. Forms can also be obtained from the income tax page at the city website, [www.tiffinohio.gov](http://www.tiffinohio.gov).

**RETIREES:** Retirees who earn wages, operate a business, own rental property or earn other income, are required to file. If your ONLY income source is retirement income (i.e. SSI, other pensions, interest, dividends, IRA and 401k distributions), complete the exemption certificate on pg. 2 of the return.

**UNDER 18:** If a person is under 18, was employed in the city of Tiffin and had Tiffin taxes withheld, a refund will be issued after receiving a signed tax return with W-2s and a copy of driver’s license or birth certificate attached for verification. If under 18 for part of the year, include paystub closest to 18th birthday.

**COLLEGE STUDENTS:** If your parents or legal guardians reside in Tiffin and they claim you as a dependent on their federal tax forms, your residence is also considered in the City of Tiffin and you must file a tax form if you have any earned income regardless of where earned.

**NEW RESIDENTS:** You will need to file a city tax return based on the number of months you were a Tiffin resident. Only include W-2s of wages earned while a resident of Tiffin.

**MOVING OUT OF TIFFIN:** Please notify the tax office as soon as possible so that a tax form can be mailed to your new address. You will need to file for the portion of the year that you were a resident here and finalize your account.

**FILING STATUS:** Taxpayers who prepare their federal and state tax returns using the “married filing separate” status to lower their overall tax liability may still file a joint return for the City of Tiffin. Filing a joint return will neither increase nor decrease your City of Tiffin tax liability. Husband and wife may file joint returns, in which case both must sign the return and submit their social security numbers.

**WHEN TO FILE:** Taxpayers who end their taxable year on December 31 must file on or before the State of Ohio tax due date. Taxpayers on a fiscal year must file on or before the 15th day of the fourth month after the close of that fiscal year or other period.

**HOW TO FILE:** You must mail your return or drop it off at the city tax office (address above) for the return to be received. For your convenience, starting with 2020 tax returns, the City of Tiffin will have E-file available for preparing and filing your city return. Please note that if you use an online program for your Federal and State returns any city return prepared by these programs is not forwarded automatically to the City of Tiffin.

**WHERE TO GET HELP WITH RETURN:** Assistance with your city tax return is available in by calling the tax office weekdays from 8:30 AM – 4:30 PM. In person tax assistance is available by appointment only on a limited basis for tax matters that cannot be resolved over the phone. The tax office will no longer offer tax preparation services.

**EXTENSIONS:** If the deadline to file cannot be met, an automatic extension will be granted if taxpayer received an extension on his federal return. If an extension was not requested or received for federal purposes, a taxpayer may still request an extension to file his city tax by sending a request to the Tax Commissioner by the unextended due date of the return. An extension of time to file is not an extension of time to pay. Payment of any estimated tax due should be sent in by the unextended due date of the return to avoid a late payment penalty. Although not required by state law, a courtesy copy of the extension by the due date of the return would be appreciated. A copy of the extension must be attached to the return when filing or the return will be considered late and a late filing penalty applied.

**PARTIAL YEAR RESIDENTS:** If you only lived in Tiffin during part of the year you must file a tax return covering that time. Report the amount of income you earned while you lived in Tiffin. Pay stubs with year-to-date figures or a statement from your payroll department must be used if available. When the actual amount you earned while living in Tiffin cannot be determined, you may break down your earnings by the number of months employed at the job arriving at a monthly earnings figure. Use the monthly earnings figure multiplied by the number of months of residency to find your taxable amount. If you pro-rate your income you must also pro-rate your city tax that was withheld on the same income. **You must attach a worksheet explaining your calculations.**

**DECLARATION OF ESTIMATED TAX FOR THE COMING YEAR:** Taxpayers who expect to receive taxable income for the coming year in which Tiffin tax is not withheld must declare estimated tax payments if amount owed if \$200 or more (25% of full amount must be paid at the time of filing the Annual Return). The estimated tax payments due June 15th, September 15th, and January 15th will be billed.

**PENALTY AND INTEREST:** Except in those cases where an extension was filed, a late fee of \$25.00 per late month or fraction of a month up to a maximum of \$150.00 shall be due on returns filed after the due date, even when no tax is due. A late payment penalty of 15% of any balance due that remains unpaid after the due date will also be charged unless estimated tax payments of at least 90% of the entire tax liability has been paid by January 15<sup>th</sup> following the period covered by the return. Interest at the rate determined by ORC will be charged per month from the original due date of the return until date of actual payment. See ORC section 718.27.

**NET OPERATING LOSSES:** The City of Tiffin allows the carryforward of net operating losses incurred in tax years beginning on or after January 1, 2017. The carryforward is limited to 50% of the available loss for a maximum of 5 years.

**NONDEDUCTIBLE EXPENSE CREDIT: (FOR BUSINESS USE ONLY)** Ohio Revised Code does not allow for adjustment of federal taxable income of expenses reduced because of taking Federal Tax Credit (i.e. Work Opportunity, Small Employer Health Insurance and similar credits). Tiffin allows a tax credit to adjust tax liability due to the disallowed expenses. Nondeductible Expense Credit worksheet and proper documentation must be attached in order to take the credit.

**AMENDED RETURNS:** Amended returns are accepted by completing an income tax return with the words "Amended Return" written in red ink across the top and indicating the year being amended. The amended return is required within sixty (60) days of the final determination of any changed tax liability resulting from the Federal audit, judicial decision, or other circumstances.

**TAXABLE INCOME:** Tiffin income tax is levied at the rate of 2.0%. Income taxable to the city is listed below. While this list is not comprehensive, it encompasses most of the taxable situations. In addition to the listing, the net profits of all unincorporated businesses, professions, rentals or other activities conducted by residents and non-residents of the City of Tiffin are taxable.

#### TAXABLE INCOME

Wages, salaries and other compensation  
Bonuses, stipends and tip income  
Commissions, fees and other earned income Sick pay (including 3rd party)  
Employee contributions to retirement plans and tax deferred annuity plans (including Section 401k, 403b, 457b, etc.)  
Net rental income  
Net profits of businesses, professions, sole proprietorships, etc.  
Income of corporations, partnerships, s-corporations, estates or trusts (Taxed at the entity level)  
Vacation pay  
Stock options  
Net farm income  
Prizes and gifts, if connected with employment, to the same extent as taxable for Federal Income Tax purposes  
Director fees  
Income from jury duty  
Strike pay  
Uniform, automobile, moving and travel allowances (in excess of expense)  
Executor fees  
Supplemental Unemployment Benefits (SUB pay)  
Lottery winnings  
Compensatory insurance proceeds from lost wage settlements

#### NON-TAXABLE INCOME

Interest or dividend income  
Pre-tax contributions made by or on behalf of employees to cafeteria plans (Sections 125 plans)  
Welfare benefits  
Social Security  
Income from qualified pension plans State unemployment benefits Worker's  
Compensation  
Proceeds of life insurance Alimony and child support Government disability payments  
Poll worker income up to \$1,000  
Military pay (including National Guard) Earnings of persons under 18 years of age Capital gains  
Patent and copyright income  
Royalties derived from intangible property  
Compensatory insurance proceeds derived from property damage or personal injury settlements