

# IMPORTANT REMINDERS FOR BUSINESSES (Tax Year 2020)



## KENTON CITY INCOME TAX

111 W Franklin Street

Kenton, OH 43326

419-673-1355 (Phone)

419-675-3200 (Fax)

[www.cityofkenton.com](http://www.cityofkenton.com)

Cash payments for income tax are longer accepted. Payments may be made via check, money order, or debit/credit card.

Effective for tax year 2018, the operating loss-carryforward follows the Ohio Revised Code special rules in tax years 2018 through 2022. Please review ORC 718 for more information.

**Effective 1/1/2016, the minimum late filing penalty is \$25.00 per month up to a maximum of \$150.00.**

**Effective 1/1/2016, the minimum refund or credit carryforward is \$10.00.**

**Effective 1/1/2016, the non-payment penalty is 15% of the delinquent tax.**

Kenton extension to file requests must be filed by April 15, 2021. The timely filed Kenton or Federal extension must be attached to the return to avoid late filing penalties. An extension to file is not an extension to pay, therefore estimated taxes should be paid with the extension request to avoid non-payment penalty **NO CREDIT FOR TAXES PAID TO OTHER CITIES WILL BE ALLOWED.**

2021 Estimated Payments for calendar filers are due on: **Penalty for late/non-payment will be applied.**

April 15, 2021

June 15, 2021

September 15, 2021

December 15, 2021

Just a reminder that the City of Kenton has mandatory filing. ***Even if your business had no taxable income, you must file a tax return if your business is located within the City of Kenton or you do business/provide services within the City of Kenton.*** Please contact our office at 419-673-1355 for more information on filing your tax return.

GENERAL INSTRUCTIONS FOR 2020 BUSINESS RETURNS \*

**WHO MUST FILE: IT IS MANDATORY THAT YOU FILE THIS RETURN, EVEN IF NO TAX IS DUE.**

- EVERY BUSINESS ENTITY that conducts business within or for the City of Kenton. *This includes owners of rental property within the City of Kenton.*
- ALL PASS THROUGH ENTITIES (any class of entity the income or profits from which are given pass-through treatment under the Internal Revenue Code) shall be taxed at the hands of the entity, not the hands of the owners of the entity.

**WHEN TO FILE:** Businesses that end their taxable year on December 31 must file their return on or before April 15, 2021.

Fiscal year businesses must file by the 15<sup>th</sup> day of the fourth month following the end of the fiscal year.

**REQUEST FOR EXTENSION OF TIME TO FILE:** An extension to file Kenton tax only may be granted upon filing a request and paying the anticipated tax owed not later than April 15, 2020 for calendar filers or the 15<sup>th</sup> of the 4<sup>th</sup> month after the end of the fiscal period. The taxpayer shall make the request by providing a letter of request that includes the taxpayer's name, address, social security number or federal tax identification number. **A copy of the timely filed Kenton extension to file or a timely filed Federal extension to file must be attached to the return when filed to avoid late filing penalties.** An extension request that is granted is for an extension of time to file and not an extension to pay.

**WHERE TO FILE:** The return is to be filed with:  
City of Kenton  
Division of Income Tax  
111 W Franklin Street  
Kenton, OH 43326

*\*This is a basic overview and does not replace or supersede the Kenton City Income Tax Rules and Regulations which are available at our website – [www.cityofkenton.com](http://www.cityofkenton.com).*

**ESTIMATED TAX PAYMENTS:** Every company that anticipates any taxable income subject to Kenton taxation and such income results in tax due shall file a declaration and pay estimated tax. The payments for calendar year end filers are due on April 15, June 15, September 15, and December 15. Estimated payments for fiscal year businesses are due on the 15<sup>th</sup> day of the fourth, sixth, ninth and twelfth months after the beginning of the taxable year. Estimated tax forms for the 2020 tax year are included with this return.

**\*\*\*\*\*THE TAX RATE FOR 2021 IS 1.50%\*\*\*\*\***

**A COPY OF THE KENTON INCOME TAX RULES AND REGULATIONS IS AVAILABLE AT OUR WEBSITE –**  
[www.cityofkenton.com](http://www.cityofkenton.com)

**CONTACT INFORMATION:**

Phone: (419) 673-1355  
Fax: (419) 675-3200  
Hours: 8:30 to 4:30 (Eastern Standard Time), M-F

**PAYMENT INFORMATION:**

- Checks or money orders should be made payable to the "City of Kenton"
- Effective 1/1/2012, cash will no longer be accepted.
- Mastercard/VISA/Discover accepted at our website --- [www.cityofkenton.com](http://www.cityofkenton.com) – or by calling 1-866-917-7368 (processing fees will be charged).

**OHIO BUSINESS GATEWAY:** Effective January 1, 2005, businesses may file extension requests and pay estimated tax payments through the Ohio Business Gateway. Beginning with tax year 2005, businesses may file and pay their municipal income tax returns through the Ohio Business Gateway. Visit [www.obg.ohio.gov](http://www.obg.ohio.gov) for information.

**REMINDER: The City of Kenton DOES NOT receive copies of the Federal Extension requests. To avoid late filing penalty, a copy of your timely filed Kenton or Federal extension must be attached to your return when filed.**

**An extension to file is not an extension to pay. Estimated tax liability should be paid when the extension request is submitted to avoid additional penalties and/or interest.**

**For additional information, please visit our website at [www.cityofkenton.com](http://www.cityofkenton.com) or contact us at 419-673-1355.**

2020 – KENTON CITY BUSINESS INCOME TAX RETURN – 2020

111 W. Franklin Street, Kenton, OH 43326

DUE ON OR BEFORE APRIL 15, 2021 OR BY THE 15TH DAY OF THE FOURTH MONTH FOLLOWING THE END OF THE FISCAL YEAR
FISCAL YEAR BEGINNING \_\_\_\_\_ ENDING \_\_\_\_\_

LATE FILING OF THIS RETURN SUBJECTS YOU TO INTEREST AND A MINIMUM \$25.00 PENALTY

For Assistance – Call 419-673-1355 or visit our website – www.cityofkenton.com Make checks payable to City of Kenton

ENTER COMPLETE NAME AND ADDRESS INCLUDING ANY DBA (Doing Business As) INFORMATION

CHECK ONE:

- Corporation
Partnership
Other

FEDERAL ID NUMBER:

NATURE OF BUSINESS:

BUSINESS CONTACT NAME:

CONTACT PHONE NUMBER:

DID YOU FILE A KENTON CITY INCOME TAX RETURN FOR THE PREVIOUS YEAR? YES NO

IF YOUR BUSINESS MOVED DURING THE YEAR, YOU MUST COMPLETE LINES BELOW:

DATE OF MOVE:

PRESENT ADDRESS:

PREVIOUS ADDRESS:

IMPORTANT: All Federal Schedules (including "Statements") MUST be attached. Returns received without ALL completed schedules will be marked "INCOMPLETE" and returned to the taxpayer. AN "INCOMPLETE" RETURN IS NOT A FILED RETURN AND CAN CAUSE LATE CHARGES! YOU MUST OBTAIN A KENTON EXTENSION IF A FEDERAL EXTENSION HAS BEEN GRANTED. THIS EXTENSION MUST BE REQUESTED PRIOR TO FILING DUE DATE.

SECTION A

- 1. TOTAL INCOME PER ATTACHED FEDERAL RETURN
2. ADJUSTMENT FROM SCHEDULE X (May be positive or negative)
3. TOTAL INCOME (LINE 1 PLUS OR MINUS LINE 2)
4. AMOUNT ALLOCABLE TO KENTON (if Schedule Y is used) % [KENTON TAXABLE INCOME]
5. TAX DUE (LINE 4 MULTIPLIED BY 1.50% or .0150)
6A. 2020 ESTIMATED PAYMENTS
6B. CREDIT FROM PRIOR YEAR
6C. TOTAL TAX CREDITS (ADD 6A and 6B)
7. IF LINE 5 IS GREATER THAN LINE 6C ENTER BALANCE DUE (Not less than \$10.00)
8. IF LINE 6C IS GREATER THAN LINE 5 ENTER OVERPAYMENT (Not less than \$10.00)
9. PENALTY \$ INTEREST \$ (After filing due date)
LATE FILING OF THIS RETURN SUBJECTS YOUR ACCOUNT TO INTEREST AND A MINIMUM \$25.00 PENALTY
10. BALANCE DUE (ADD LINES 7 AND 9) Payable to City of Kenton

Tax Office Use Only – Do not use this space

SECTION B – DECLARATION OF ESTIMATED TAXES FOR 2021

- 11. TOTAL ESTIMATED TAX FOR 2021 (1.50% MULTIPLIED BY KENTON TAXABLE INCOME)
12. LESS CREDITS (INCLUDING PRIOR YEAR CREDIT FROM LINE 8)
13. NET TAXES OWED
14. AMOUNT PAID WITH THIS DECLARATION (1/4 OF LINE 13)
15. TOTAL DUE (ADD LINES 10 AND 14)

SECTION C

The undersigned declares that this return (and the accompanying schedules) is a true, correct, and complete return for the taxable period stated and that the figures used herein are the same as used for Federal income tax purposes, adjusted to the ordinance requirements for local tax purposes, and if an audit of the Federal return is made which affects the tax liability shown on the return, an amended return will be filed within three months with the City of Kenton. If this return was prepared by a Tax Preparer, I am authorizing them to disclose information concerning this return to the Kenton Tax Office. YES NO

Signature of Person Preparing Return (if other than Taxpayer) Date Taxpayer's Signature Date

Phone Number of Person Preparing Return Taxpayer's Printed Name and Title

PAID PRE-REVIEWED BY ON REVIEWED BY ON FILE DATE

**SECTION X – Reconciliation with Federal Income Tax Return**

ITEMS NOT DEDUCTIBLE	ADD	ITEMS NOT TAXABLE	DEDUCT
A. Capital losses deducted (including IRC 1221 & 1231 property) DO NOT INCLUDE ordinary loss from Federal Form 4797.....	\$ _____	K. Capital gains from sale, exchange or other disposition (from Federal Schedule D). Includes IRC 1221 & 1231 property. DO NOT INCLUDE ordinary gain from Federal Form 4797.....	\$ _____
B. Expenses attributable to non-taxable income. MUST BE 5% of Line R).....	\$ _____	L. Interest earned or accrued.....	\$ _____
C. City & State income taxes & other taxes based on income.....	\$ _____	M. Dividends.....	\$ _____
D. Net operating loss deduction per Federal Return adjusted for State of Ohio Revised Code Chapter 718.....	\$ _____	N. Federal tax credit to the extent corresponding operating expenses have been reduced.....	\$ _____
E. Payments to partners (including former partners).....	\$ _____	O. Not previously deducted IRS Section 179 expense.....	\$ _____
F. Dividends, distributions, or amounts set aside for, credited to, or distributed to REIT or RIC investors.....	\$ _____	P. Partnership, S Corp, LLC charitable contributions.....	\$ _____
G. Qualified self-employed retirement, health and life insurance plans for owners of non-C Corp entities.....	\$ _____	Q. Losses Carried Forward (explain).....	\$ _____
H. Rental activities by partnerships, S Corp, LLC or trusts....	\$ _____		
I. Other Expenses not deductible (explain).....	\$ _____		
J. TOTAL ADDITIONS.....	\$ _____	R. TOTAL DEDUCTIONS.....	\$ _____
1. ITEMS NOT DEDUCTIBLE (FROM LINE J).....			\$ _____
2. ITEMS NOT TAXABLE (FROM LINE R).....			\$ _____
3. SCHEDULE X ADJUSTMENT (LINE 1 MINUS LINE 2, ENTER ON LINE 2 ON FRONT, MAY BE POSITIVE OR NEGATIVE).....			\$ _____

**SECTION Y – Business Allocation Formula**

Use this schedule if engaged in business in more than one city and you do not have books and records which will disclose with reasonable accuracy what portion of the net profits is attributed to that part of the business done within the City of Kenton. **Businesses located wholly within the Kenton city limits must include copies of tax returns filed and paid in other cities in order to allocate less than 100% to Kenton.**

	A. LOCATED EVERYWHERE	B. LOCATED IN KENTON	C. PERCENTAGE (B/A)
Step 1. Average original cost of real and tangible personal property.....	\$ _____	\$ _____	
Gross annual rentals multiplied by 8.....	_____	_____	
Total Step 1.....	\$ _____	\$ _____	_____ %
Step 2. Gross receipts from sales and work or services.....	\$ _____	\$ _____	_____ %
Step 3. Total qualifying wages, salaries, commissions and other compensation for all employees.....	_____	_____	_____ %
Step 4. Totals.....	\$ _____	\$ _____	_____ %
Step 5. AVERAGE PERCENTAGE (Divide total percentages by number of percentages used.)			% _____

**Partner's Distributive Shares of Net Income (From Federal Schedules 1065K and 1099)**

All partnerships required to file as entities must attach ALL of the federal schedules detailing the partners' distributive shares (Federal Schedule K and K-1).

**Additional Information**

DO YOU SUBCONTRACT LABOR TO PERFORM WORK IN KENTON?  YES  NO

If YES, copies of 1099s or a statement containing the same information must be submitted no later than February 28 of each year. Failure to provide this information can result in the disallowance of the deduction of subcontractor pay.

DO YOU HAVE EMPLOYEES WORKING IN KENTON?  YES  NO

If YES, copies of employee W-2 forms must be submitted no later than February 28 of each year.

TAX YEAR  
2021

*for office use only*

DATE RECEIVED \_\_\_\_\_

PAYMENT TYPE \_\_\_\_\_

FILING PERIOD 02 / 2021

AMT. REC'D \$ \_\_\_\_\_

FORM XQ-1 (B)

**CITY OF KENTON**  
**111 W Franklin St**  
**Kenton, OH 43326**  
**419-673-1355**

**ESTIMATED TAX PAYMENT (Business)**

2<sup>nd</sup> Quarter – Due on or before June 15, 2021 for calendar yr filers  
or due 15<sup>th</sup> of sixth month of fiscal year

**NOTE: TAX RATE FOR 2021 IS 1.50%**

Payment Enclosed \$ \_\_\_\_\_

Federal ID Number

Taxpayer's Name & Address

TAX YEAR  
2021

*for office use only*

DATE RECEIVED \_\_\_\_\_

PAYMENT TYPE \_\_\_\_\_

FILING PERIOD 03 / 2021

AMT. REC'D \$ \_\_\_\_\_

FORM XQ-1 (B)

**CITY OF KENTON**  
**111 W Franklin St**  
**Kenton, OH 43326**  
**419-673-1355**

**ESTIMATED TAX PAYMENT (Business)**

3<sup>rd</sup> Quarter – Due on or before Sept 15, 2021 for calendar yr filers  
or due 15<sup>th</sup> of ninth month of fiscal year

**NOTE: TAX RATE FOR 2021 IS 1.50%**

Payment Enclosed \$ \_\_\_\_\_

Federal ID Number

Taxpayer's Name & Address

TAX YEAR  
2021

*for office use only*

DATE RECEIVED \_\_\_\_\_

PAYMENT TYPE \_\_\_\_\_

FILING PERIOD 04 / 2021

AMT. REC'D \$ \_\_\_\_\_

FORM XQ-1 (B)

**CITY OF KENTON**  
**111 W Franklin St**  
**Kenton, OH 43326**  
**419-673-1355**

**ESTIMATED TAX PAYMENT (Business)**

4<sup>th</sup> Quarter – Due on or before Dec 15, 2021 for calendar yr filers  
or due 15<sup>th</sup> of twelfth month of fiscal year

**NOTE: TAX RATE FOR 2021 IS 1.50%**

Payment Enclosed \$ \_\_\_\_\_

Federal ID Number

Taxpayer's Name & Address

**ESTIMATED TAX FILING INSTRUCTIONS (BUSINESS)**

**WHO MUST FILE A DECLARATION:**

EVERY BUSINESS ENTITY conducting activities or producing taxable income within or for the City of Kenton must make a declaration.

**HOW TO FILE DECLARATION:**

Declaration of estimated tax for the year can be made on the Kenton City Income Tax return or directly to the City of Kenton, Division of Taxation, 111 W Franklin St, Kenton OH 43326. Use this form to file a declaration.

**PAYMENT OF ESTIMATED TAX:**

The estimated tax or the first quarterly payment may be paid in full with the Income Tax Return, or must be paid quarterly on or before April 15, June 15, September 15 and December 15 for calendar year businesses or by the 15th day of the fourth, sixth, ninth and twelfth months from the beginning of the fiscal year for fiscal businesses.

**WHAT IS TAXABLE INCOME:**

FOR RESIDENT BUSINESS OR PROFESSIONAL ENTITIES, whether sole-proprietorships, fiduciaries, estates or trusts, the term income shall be deemed to mean the net profits arising from the business activities wheresoever conducted.

**2021 TAX RATE IS 1.50%**

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**ESTIMATED TAX WORKSHEET**

(KEEP FOR YOUR RECORDS - DO NOT FILE)

1. Enter total estimated Kenton taxable income ..... 1. \$ \_\_\_\_\_
2. Multiply Line 1 by 1.50% (.0150) and enter here ..... 2. \$ \_\_\_\_\_
3. TAX CREDITS
  - a. Enter the overpayment (carry-over) from your previous year Kenton return, if any ..... a. \$ \_\_\_\_\_
  - b. Enter other credits ..... b. \$ \_\_\_\_\_
4. Enter your total credits. (Add lines 3 a. and 3 b.) ..... 4. \$ \_\_\_\_\_
5. Net Estimated Tax Due (Subtract Line 4 from Line 2) ..... 5. \$ \_\_\_\_\_
6. Enter ¼ of Line 5 here, as the quarterly estimated payment. (If this computation is for less than one year, divide Line 5 by the number of quarters remaining in the year.) ..... 6. \$ \_\_\_\_\_

**PAY THE FIRST ESTIMATED PAYMENT WITH YOUR TAX RETURN.**