

GENERAL INFORMATION

1. WHO MUST FILE

ALL RESIDENTS – All City of Huber Heights residents eighteen (18) years of age or older regardless of where and how much income is earned. Residents age 16 and 17 must file if not fully withheld.

NON-RESIDENTS – Non-residents of the City of Huber Heights who receive income within the City when tax is not fully withheld, or who have business, professional, or rental income (or loss) within the City.

PART-YEAR RESIDENTS – Persons who have resided in the City of Huber Heights for any portion of the tax year must file a return for income earned during that portion of the year. Indicate new address, date of move, attach verification (i.e., copy of rental agreement, real estate settlement, etc.), and show computation of part year income on Part B Worksheet.

OTHER ENTITIES – Including, but not limited to: all corporations, partnerships, trusts, estates, LLC's or other entities conducting business in, performing services in, or deriving income (or loss) from activities in the City of Huber Heights. Please use form and instructions for Form HH-B.

2. WHERE AND WHEN TO FILE

Returns must be received on or before April 15th following the end of the tax year. Returns must be filed with the City of Huber Heights, Division of Taxation, P.O. Box 24309, Dayton, OH 45424. Any tax due must be paid when filed or by due date of return. Checks or money orders should be made payable to the City of Huber Heights.

Incomplete returns (returns received without signatures or without proper supporting information) may not be accepted; thereby creating potential penalty and/or interest assessments or delays in refund processing.

3. EXTENSIONS

Extensions are not granted on an automatic basis.

All extension requests must include a copy of the Federal Extension Request and be filed by the due date of the original return. An extension of time to file is not an extension of time to pay. Interest and penalties will be assessed on any tax balance remaining due after the original due date. An extension will not be granted if the taxpayer has prior year balances or prior year filing delinquencies.

The Ordinance makes no provision for extension on the current year's estimate, which must be filed and any amount due paid by the due date.

4. NO JOINT RETURNS

The City of Huber Heights Income Tax Ordinance makes no provision for joint filing of income. A taxpayer and spouse may use one form and complete the left and right side of the form, but each taxpayer's income will be treated separately. Every person who engages in business or other activity or whose salary, wage, commissions, or other compensation is subject to the tax must make and file a return whether or not tax is due.

Jointly prepared returns (combined returns) may not be accepted and may be returned to the taxpayer, possibly creating penalty and interest assessments or delays in refund processing.

5. ROUNDING OFF TO WHOLE DOLLARS

Rounding off to whole dollars is permitted for **total** income and **total** tax amounts. Eliminate any amount less than fifty cents and increase any amount from fifty cents through ninety-nine cents to the next higher dollar.

6. TAXABLE INCOME

Taxable income means gross wages, salaries, and other compensation paid by an employer or employers before any deductions or deferrals, other than ordinary and necessary business expenses in the same manner as provided by the Internal Revenue Code, and/or net profits as herein defined. An annual tax shall be imposed upon all salaries, wages, commissions, and other compensation received including, but not limited to:

Bonuses, sick pay, vacation pay, strike pay, SUB pay, severance pay, tips, income from wage continuation plans, contributions to tax deferred plans (401K plans and similar plans), fringe benefits such as car allowances, disability pay if received as a benefit from employment, stock options as indicated by amount on W-2, profitsharing, trusts, estates, director fees, executor fees, and net profits from the operation of a business, profession, enterprise, or rentals.

7. NON-TAXABLE INCOME

Includes, but is not limited to:

Interest, dividends, military pay and allowances, Social Security benefits, welfare benefits, unemployment insurance benefits, workers' compensation, personal earnings of persons under 16 years of age, capital gains, alimony, gambling and lottery winnings, housing allowances for clergy to the extent that the allowance is used to provide a home, compensation not exceeding \$1,000.00 paid to poll workers, and proceeds from qualified retirement plans as defined by the IRS.

8. SCHEDULE LOSSES

Schedule losses are those losses which are the result of allowable expenses incurred in the acquisition of such gross income earned during the year. Schedule losses may not offset wages. **Schedule losses (with exception of Schedule K-1) may offset other schedules, if the schedules are in the same individual's name. The gain or loss of a rental property which is jointly owned by City of Huber Heights residents must be split between the owners. Partnership losses cannot offset any other type of income including other partnerships.**

9. 2106 EXPENSES

Employee business expenses which are included on Federal Form 2106 may be included as an adjustment in Part B Worksheet, Column C, only to the extent that they are deducted for Federal purposes per Federal Schedule A. Other expenses as listed on Schedule A are not deductible for city purposes. 2106 expenses are subject to the 2% Federal Adjusted Gross Income limitation on Schedule A. If your employment was in another city, the credit for other city tax withheld will be decreased. In order to deduct 2106 expenses you must attach copies of Federal Form 2106 and Federal Schedule A.

10. OTHER CITY TAX CREDIT

Credit for taxes paid to other cities or Joint Economic Development Districts by City of Huber Heights residents is allowed to be taken against the City of Huber Heights tax liability. Credit will be given for taxes correctly paid to another city up to a maximum of 2.25% of the income earned in that city. When the tax is not correctly withheld for the city of employment, an adjustment of credit may be necessary. Proration of income results in proration of credit.

11. DECLARATION OF ESTIMATED TAX

Every person who anticipates receipt of taxable income not subject to employer withholding, or persons who engage in a business, profession, enterprise, or other activity subject to the tax shall file a declaration. A declaration of estimated tax must be received on or before April 15th of the current year and must be accompanied by at least 25% of the total estimated tax due. The remaining quarterly payment due dates are: July 31, October 31 and January 31. Remit your payment along with the appropriate enclosed Estimated Tax Statements. Failure to file and pay estimated taxes may result in an assessment of penalty charges. Penalty will not be assessed when the total tax payments, including withholdings, are at least 90% of the current year tax liability or 100% of the prior year tax liability, and paid by January 31.

12. REFUNDS

Refunds are processed in order of receipt of a complete return or refund request. A refund request must include all proper documentation such as: W-2s, verification of date of birth (if under age 16), verification of date of move from the City of Huber Heights, verification of part-year resident wages, travel log (if applicable), employer verification (if applicable), and signature. Non-resident withholding refunds should be filed using a Refund Request form, available on the city website or in the tax office.

13. PENALTIES AND INTEREST

Penalties are assessed:

- For Failure To Pay The Tax When Due – One-half percent (0.5%) per month or fraction thereof, or ten percent (10%), whichever is greater.
- For Under-Payment of Estimated Tax – If at least 90% of the tax liability or 100% of the prior year's tax liability is not paid (including withholdings) by January 31. The penalty is 10% of the difference between 90% of the tax liability and the total payments and withholdings.

Interest at the annual prime rate plus three percentage points is assessed on any tax liability (including estimated taxes) remaining unpaid after the due date. Interest is assessed monthly on the unpaid tax balance.

INSTRUCTIONS

TAX TOOL:

You can prepare your 2007 return using our Tax Tool located on the city website at www.ci.huber-heights.oh.us. Go to the Taxation page and click on Tax Tool. Follow instructions to create a new account. Then prepare, print and sign your return. This is not online filing, you must still mail the return and attachments to our office using the enclosed envelope.

NAME AND ADDRESS:

Complete the name, address and telephone information and social security number. If your name and address are not correctly shown, make any necessary changes. There is no joint filing. Individuals who are married may use one Form HH-R to file their returns. One individual completes the left side of the form, and their spouse completes the right side.

If you were a part-year resident, indicate the residency dates and former address. Only the portion of income earned while a resident is taxable (unless the income was earned in the City of Huber Heights while a non-resident). You must attach verification of move in/move out date, (i.e., copy of rental agreement, real estate settlement, etc.) and show computation of part year income.

PART A:

If you qualify under one of the exemptions listed, you do not have to complete Part B. Check the appropriate box and proceed to Part D for your signature.

PART B: INCOME AND PAYMENTS AND CREDITS

LINE 1: Enter the total of Column E from the "W-2 Income" portion of Worksheet B shown on the reverse side of the tax return. **Attach all applicable W-2s to the reverse side of the tax return.**

LINE 2: Enter the total of Column N, "Total Other Income", from the "Other Income" portion of Worksheet B, shown on the reverse side of the tax return. **Attach 1099s, and all applicable schedules to the reverse side of the tax return.**

LINE 3: Add Lines 1 and 2. A net loss of "other income" cannot offset wages

LINE 4: Multiply Line 3 by the City of Huber Heights income tax rate (2.25%).

LINE 5: Enter the total of the quarterly estimated payments that you have made and any overpayment credits from the prior year.

LINE 6: Enter the total of Column F on the "W-2 Income" portion of Worksheet B shown on the reverse side of the tax return.

LINE 7: Enter the total of Column G on the "W-2 Income" portion of Worksheet B shown on the reverse side of the tax return. Credit will be given for the correct amount of taxes paid to another city but will not exceed 2.25% of the income taxed by the other city. **Enter the amount of credit only.** Also include credit for tax paid to another city on "other income." You must attach copies of other city returns in order to receive the credit for tax paid on "other income".

LINE 8: Add Lines 5, 6, and 7 for the total credit allowed.

LINE 9: Subtract Line 8 from Line 4. If Line 8 is less than Line 4, this is your balance due for the 2007 tax year. If you owe less than \$1.00, there is no need for payment. If Line 8 is greater than Line 4 by \$1.00 or more, enter the amount of your overpayment on Line 15.

LINES 10 THROUGH 13: For office use only. This section will be completed by the Division of Taxation if penalty and interest charges are applicable. You may refer to the penalty and interest section in the General Information for specifics.

LINE 14: Add lines 9 and 13.

LINE 15: If Line 8 is greater than Line 4 by \$1.00 or more, you have an overpayment. You may have the overpayment applied to 2008, or refunded to you, or transferred to your spouse's balance. Indicate your choice under Line 15. Proceed to Part C, Line 16 .

PART C: DECLARATION OF ESTIMATED TAX

NOTE: You are required to file and pay a Declaration of Estimated Tax if your local tax withholdings do not equal at least 90% of your total tax liability.

LINE 16: Enter the amount of estimated tax for the current year.

You may base the estimate on:

- 1) Prior year tax liability (Line 4); or,
- 2) Income tax estimate for current year (gross income multiplied by 2.25%).

LINE 17: Enter the amount of estimated withholding credits.

LINE 18: Subtract Line 17 from Line 16.

LINE 19: Multiply Line 18 x 25%. This is the amount required to be paid each quarter.

LINE 20: If you have an overpayment from Line 15 and have requested the credit to be transferred to 2008, show that amount here.

LINE 21: Subtract Line 20 from Line 19. A 2007 overpayment will be applied to the first quarter of 2008. If the 2007 overpayment is more than the 2008 first quarter, the difference will be applied to the second quarter of 2008.

LINE 22: Add Lines 14 and 21. This is your total amount due on or before April 15, 2008. Make check or money order payable to: City of Huber Heights. Use the enclosed Estimated Tax Statements to pay the remaining quarterly payments on or before the due dates shown. **You will not receive any additional notification in the mail.**

PART D:

The taxpayer (or authorized person) and spouse must sign and date the return on the appropriate lines. If someone other than the taxpayer or spouse completes the return, they should sign as tax preparer and show address and phone number. Indicate by checking yes or no if we may contact your tax preparer regarding the preparation of the return. By checking yes, you are authorizing your tax preparer to correspond with the tax office regarding the processing of the return, missing information, status of refunds or payments, and to respond to tax office notices.

ASSISTANCE

For assistance in completing this return, or if you have any questions, please contact the Division of Taxation at (937) 237-2976 or visit our office at 6383 Brandt Pike, Huber Heights. Office hours are 8:00 a.m. to 5:00 p.m. Monday through Friday. E-mail: taxdev@ci.huber-heights.oh.us