

Business Income Tax Return  
Year Dates \_\_\_\_\_ to \_\_\_\_\_

**CITY OF FAIRLAWN, OHIO**  
**PO Box 5433 Fairlawn OH 44334**  
**(330) 668-9525 Fax (330) 668-9565**  
**www.cityoffairlawn.com**

Tax Office Use Only

Acct # \_\_\_\_\_

Federal ID # \_\_\_\_\_ - \_\_\_\_\_

Local Address \_\_\_\_\_

Date Moved In: \_\_\_\_\_ Moved Out: \_\_\_\_\_

If pre-printed information is incorrect, please make necessary changes.

1. **FEDERAL TAXABLE INCOME** (Attach Federal Return Complete with Schedules and Forms) .....
2. a) Items Not Deductible (From Line M Schedule X) .....Add .....
- b) Items Not Taxable (From Line W Schedule X).....Deduct .....
- c) Difference Between Lines 2a and 2b.....
3. a) Adjusted Net Income (Line 1 Plus or Minus Line 2c).....
- b) **AMOUNT OF LINE 3a ALLOCATED TO FAIRLAWN PER SCHEDULE Y** ( \_\_\_\_\_ )% .....
4. Net Loss Carry Forward .....
5. **AMOUNT SUBJECT TO FAIRLAWN INCOME TAX** (Line 3b Less Line 4, if Used).....
6. **FAIRLAWN INCOME TAX 2% OF LINE 5**.....
7. Payments on Declaration of Fairlawn Estimated Tax.....
8. Previous Years Overpayment.....
9. **TOTAL CREDITS** (Add Lines 7 and 8).....
10. Balance of Tax Due (Line 6 Less Line 9).....
11. Late Fee, Penalty & Interest if Filed after the Due Date (See Instructions).....
12. **BALANCE OF TAX AND FEES DUE** (Add Lines 10 and 11).....
13. Overpayment (If Line 12 is Less than Zero): Credit to Next Year \_\_\_\_\_ Refund \_\_\_\_\_

**SCHEDULE X – RECONCILIATION WITH FEDERAL INCOME TAX RETURN**

ITEMS NOT DEDUCTIBLE

- A. Capital Losses (excluding ordinary losses).....
- B. Taxes Based on Income.....
- C. 5% of Amount Deducted as Intangible Income.....
- D. Guaranteed Payments to Partners.....
- E. Amounts for Qualified Self-Employed Retirement,  
Health & Life Insurance Plans for Owners of Non-C  
Corporation Entities or Self-Employment Tax.....
- F. All Amounts Allowed as a Deduction in the Computation  
of Federal Taxable Income for Real Estate Investment  
Trusts and Regulated Investment Companies.....
- G. Other (provide explanation).....
- M. Total Additions (Enter on Line 2a Above).....

ITEMS NOT TAXABLE

- N. Capital Gains (excluding ordinary gains) .....
- O. Interest, Dividend, Patent, Copyright Income .....
- P. IRC Section 179 Expenses.....
- Q. Other (provide explanation).....
- W. Total Deductions (Enter on Line 2b Above) .....

**SCHEDULE Y – BUSINESS ALLOCATION FORMULA**

- |  | A. Located Everywhere | B. Located in Fairlawn | C. Percentage (B/A) |
|--|-----------------------|------------------------|---------------------|
| Step 1. Average Original Cost of Real and Tangible Personal Property.....                                  | _____                 | _____                  |                     |
| Gross Annual Rentals Multiplied by 8.....  | _____                 | _____                  |                     |
| Total of Step 1.....   | _____                 | _____                  | _____ %             |
| Step 2. Total Wages, Salaries, Commissions and Other Compensation<br>Paid to All Employees.....            | _____                 | _____                  | _____ %             |
| Step 3. Gross Receipts from Sales and Work or Services Performed.....                                      | _____                 | _____                  | _____ %             |
| Step 4. Total of Percentages.....  | _____                 | _____                  | _____ %             |
| Step 5. Average Percentage (Divide Total Percentages by Number of Percentages Used), Enter on line 3b..... | _____                 | _____                  | _____ %             |

**DECLARATION OF ESTIMATED TAX FOR TAX YEAR \_\_\_\_\_**

- |   |  |
|---|--|
| 14. Estimated Fairlawn Taxable Income for Year... _____ | 18. Net Tax Due for First Quarter (Line 16 Less Line 17) _____ |
| 15. Estimated Tax Due for Year (2% of Line 14)... _____ |  |
| 16. Estimated First Quarter Due (¼ of Line 15)... _____ |  |
| 17. Overpayment (From Credit Line 13)..... _____        | 19. <b>TOTAL ENCLOSED</b> (Add Lines 12 and 18)..... _____     |
|   | Make Check Payable to City of Fairlawn                         |

I certify I have examined this return including accompanying schedules and statements and to the best of my knowledge believe it is true, correct and complete.

Name and Phone Number of Person Preparing if Other than Taxpayer \_\_\_\_\_

Date \_\_\_\_\_

Signature and Title of Taxpayer \_\_\_\_\_

Date \_\_\_\_\_

## CITY OF FAIRLAWN BUSINESS RETURN INSTRUCTIONS

Tax Rate: 2% as of January 1, 1990.

Due Date: 15<sup>th</sup> day of the 4<sup>th</sup> month following the company's year-end.

Extensions: Extensions approved by the IRS will be accepted by the City of Fairlawn provided a copy of the extension is postmarked by the original due date. For tax year subsequent to 2004, the extended due date shall be the last day of the month to which the Federal return has been extended. No extension will be considered if the account is delinquent, nor for any reason will extensions be granted for filing the declaration of estimated income tax.

Fees: City returns filed after the due date will be assessed a late filing fee of \$50 for the first offense and \$100 each subsequent offense. In addition, penalty of 1.5% of tax due per month and interest of 1.5% of tax due per month will be assessed.

Net Loss Carry Forward: Must be used within five years. To substantiate any claim for loss carried forward this year, you must submit a reconciliation of prior years losses.

Balance: No amount of less than \$1.00 will be collected, credited or refunded.

Federal Taxable Income: Before net operating losses and special deductions per attached Federal Return (Form 1120, Line 28; Form 1120S, Schedule K, Line 18; Form 1120A, Line 24; Form 1120-REIT, Line 20; Form 1065, Schedule K – Analysis of Net Income (Loss), Page 4 – Line 1; Form 1041, Line 17; Form 990T, Line 30)

### Schedule X:

Line A: Federally deducted losses from IRC section 1221 or 1231 property distributions.

Line B: Income taxes such as city, state, federal and franchise taxes, which are computed on a net income basis and allowed on the Federal Return, are not deductible in computing profits on your City return.

Line C: 5% of amount deducted as intangible income, but excluding intangible income from IRC section 1221 property dispositions.

Line D: Guaranteed payments or accruals to or for current or former partners or members.

Line N: Federally reported income and gains from IRC section 1221 or 1231 property dispositions, except to the extent the income and gains apply to those described in IRC section 1245 or 1250.

Line P: Do not include any Section 179 amount already deducted in computing line 1.

Schedule Y: Non-resident businesses or corporations and resident corporations who derive income from locations both inside and outside of the City of Fairlawn must allocate their total net income or loss as to the portion attributable to the City of Fairlawn and the portion attributable to outside of the City of Fairlawn.

Declaration: Estimated tax due will be divided into four payments, the first quarter being due by April 15 (22.5%). Statements will be mailed to you prior to the due dates June 15 (45%), September 15 (67.5%) and December 15 (90%).

### Contact Information:

Phone (330) 668-9525

Fax (330) 668-9565

Website - [www.cityoffairlawn.com](http://www.cityoffairlawn.com)

Mailing Address - PO Box 5433, Fairlawn OH 44334

Physical Address - 3487 S Smith Rd, Fairlawn OH 44333