

TAX YEAR 2016

Taxes Due ON OR BEFORE April 18TH 2017

Remember to **SIGN** your tax return and to **INCLUDE** your supporting **DOCUMENTS**.

FILING A MUNICIPALITY OF SEBRING TAX RETURN IS MANDATORY

- If you are a resident of Sebring who has earned income and are 18 years of age or older (Includes all college students who use Sebring as their address of residence when filing State and Federal income tax returns.)
- If you are a professional or operate a business (incorporated or unincorporated), or other entity in Sebring in which you have performed a service or have derived sales for purpose of net profit.
- If you are a non-resident business, professional or other city entity that has conducted business in Sebring.
- If you own rental property.
- If you have gambling, wagering or lottery winnings.
- If you have sick pay benefits.
- The requirement to report all other forms of income (including certain types of passive income) not mentioned above but included in the Codified Ordinances of the Village of Sebring, Chapter 172 may be subject to taxation.

BASIC INSTRUCTIONS FOR A SEBRING INCOME TAX RETURN

Step 1 - Enter taxpayer name(s), address and social security number(s).

Step 2 - Required for filing as of tax year 2016: A copy of your Federal 1040, 1040A or 1040EZ and a copy of all W2's, 1099's and Federal Schedules claimed. Attach all documents on the back of the return.

Step 3 - The highest dollar amount on the W2 is the taxable amount. Look at Box 5 or Box 18 on the W2.

Step 4 - Complete lines 1 – 15

(Rounding off the cents to the nearest whole dollar is acceptable. EX: \$.49 and less, drop the cents / \$.50 and up, round up to the next whole dollar. If you choose to round off, continue the same method through the entire form.)

LINE 1: Add all gross wages, salaries, tips and other compensation and enter on line 1. (Look at box 5 and/or box 18 - they should be the same or a written explanation from the employer may be necessary) (The highest dollar amount on the W2 is the taxable amount) If you have no business income to report, enter a zero (0) on line 5 and continue to line 6.

LINE 2: Enter your total other income earned. (You must attach any Federal Schedule / 1099 used in determining your other income)

LINE 2a: Enter the total dollar value of items not deductible. Attach Federal Schedule X to support your entry. Add this amount to line 2. (usually pertains to business income)

LINE 2b: Enter the total dollar value of items not taxable. Attach Federal Schedule X to support your entry. Deduct this amount from line 2. (usually pertains to business income)

LINE 3: Subtotal (add line 2a and subtract line 2b from line 2 and enter the result on line)

LINE 4: Enter the percentage of line 3 that is allocable to Sebring. (Business income only) Attach Schedule Y

LINE 5: This is your "total" other income. Enter the value of line 3 or the value of line 4 if you allocated income.

LINE 6: Adjusted Net Income subject to Sebring Tax. Add the value of line 1 and line 5. Enter the result on line 6.

LINE 7: Multiply line 6 by 2.0% (.020). If you have no credits to report, enter a zero (0) on line 11 and continue to line 12.

LINE 8: Enter the amount of Sebring tax withheld. No other tax withheld should be listed here. (Verify that it IS local tax and NOT SCHOOL tax withheld)(Local=2% / school=1%)

LINE 9: Enter the total payments on current estimated tax and / or credits from a previous year. You may confirm this entry by contacting the tax office.

LINE 10: Enter any tax paid to another locality. The Village can only allow a credit up to our 2% for each W2.

EX: W2 showing wages at \$500.00 – local tax to Wheresville for \$11.25. The Village of Sebring can only allow credit on this W2 for \$10.00 (\$500.00 x 2% = \$10.00). Another W2 showing wages at \$1000.00 – local tax to Theresville for \$10.00. The Village of Sebring will allow the full amount. (Theresville's tax rate only 1%) Total credit allowed on line 10 would be \$20.00. (\$10.00 + \$10.00 = \$20.00)

LINE 11: Add lines 8, 9 and 10. These are your total credits allowed.

LINE 12: Balance of Tax Due: (Line 7 minus Line 11)

LINE 13: Late Fee, Penalty and/or Interest

Late Fee: \$25.00 *per month*, (up to \$150.00) The return is considered late if it is not filed or postmarked by April 18, 2017 AND an extension was not granted prior to the filing date.

Penalty: 15% penalty applies to any unpaid balance, whether an extension has been filed or not.

Interest: 6% per annum (.50 per month) on any unpaid balance, whether an extension has been filed or not.

(An extension only grants additional time for filing, not additional time to pay a tax liability.)

LINE 14: Add lines 12 and 13 – This is your total due at the time the return is filed. **New for tax year 2016:** NO PAYMENT IS REQUIRED FOR A BALANCE DUE OF \$10.00 OR LESS. (This only applies at the time of filing) Otherwise, payment in full must accompany the return. Penalty and interest accrual will be applied on all unpaid balances.

LINE 15: If you have overpaid, please indicate if you would like a refund or a credit to next year. Enter the dollar amount on the appropriate line. **New for tax year 2016:** NO REFUND WILL BE ISSUED FOR \$10.00 OR LESS

Step 5 - You may be required to complete the MANDATORY DECLARATION OF ESTIMATED TAX

A declaration of estimated tax shall be filed by every taxpayer who may reasonably be expected to have taxable income, the tax on which is not or will not be withheld in full by an employer or employers. **The declaration must be filed only if the estimate of tax that will not be withheld exceeds two hundred dollars (\$200.00).** Where required, such declaration shall be filed on or before the eighteenth (18th) day of the fourth month after the taxpayer becomes subject to tax for the first time. (Codified Ordinance #32-2015, Section 7)

Step 6 - Place a checkmark in the box if you authorize the preparer of the return to communicate directly with the tax department.

Step 7 - SIGNATURES

Sign and date your return. If filing a joint return, BOTH parties must sign and date the return. Your tax return is a legal document and signing it is mandatory.

Verify that you have attached DOCUMENTATION

Attach a copy of your 1040, 1040A or 1040 EZ, W2's, 1099's, schedules or any other supporting documentation to the back of the return. Your tax return is not valid unless these items are included.

MAIL OR DROP OFF YOUR RETURN to the tax office. Electronic filing or faxing is NOT available for your local return.

Visit our website at www.sebringohio.net to view the Income Tax Rules and Regulations and/or the Codified Ordinance.