



Income Tax Department

201 S. Main St. PO Box 459

Fort Recovery, OH 45846

Phone: (419)375-4580

Fax: (419)375-4709

firtax@fortrecovery.org

DEPARTMENTAL NOTICE

DECEMBER 2016

Effective Period: TAX YEAR 2016

SUBJECT: Revisions to the Village of Fort Recovery's income tax laws to maintain compliance with Ohio Revised Code Chapter 718

REFERENCE: ORC 718; Village Income Tax Ordinance #2015-12

DISCLAIMER: Departmental Notices are intended to provide information to the public and should serve only as a foundation for further research or discussion with your tax professional or legal advisor. Every attempt is made to provide information that is consistent with governing statutes, ordinances, rules, and court decisions. However, any information that is not consistent therewith is not binding on Department or the taxpayer.

The Village of Fort Recovery revised its Income Tax Ordinance ("Tax Ordinance") for tax years beginning with 2016 to maintain compliance with Ohio Revised Code Chapter 718, which was amended by the General Assembly in 2015 and 2016. There were many changes made to the Tax Ordinance. Below is a summary of some of the more significant changes for the Village of Fort Recovery Income Tax Returns ("Returns") to be prepared starting in January.

- **DUE DATE FOR TY2016:** For tax year 2016, the due date for all individuals and businesses operating on a calendar year is April 18, 2017. For businesses operating on a fiscal year, the Return is due on the 15th day of the 4th month following the end of the fiscal year.
- **SIGNATURES:** All Returns must be signed. An unsigned Return is an incomplete Return, and all incomplete Returns may be mailed back to the taxpayer for further completion. Penalties and interest may accrue if the completed Return is received after the due date.
- **IRS FORM 1040:** IRS Form 1040 is now required to be included with individual taxpayers' Fort Recovery Return. Failure to include this form with the Fort Recovery Return results in an incomplete filing. All incomplete filings may be mailed back to the taxpayer for further completion. Penalties and interest may accrue if the completed Return is received after the due date.
- **INDIANA COUNTY CREDIT:** Taxpayers are now required to provide additional substantiating documentation to claim any credit for tax paid to a county in the state of Indiana. A taxpayer must include a copy of the IT-40PNP (Indiana Part-Year or Full-Year Nonresident Individual Income Tax Return) to be able to claim county credit. Failure to provide this form will deny any credit claimed and a billing statement will be sent to collect any denied credit.

"This institution is an equal opportunity provider and employer"



Income Tax Department

201 S. Main St. PO Box 459

Fort Recovery, OH 45846

Phone: (419)375-4580

Fax: (419)375-4709

firtax@fortrecovery.org

- **PENALTIES & INTEREST:** Penalties and interest have changed for taxpayers beginning with tax year 2016. The penalties and interest amounts are listed below:
 - **Late Fee** = \$25 per month or fraction thereof up to a maximum of \$150 per return. This fee may be charged on any tax return (other than estimated income tax returns), report, reconciliation, schedule, or any other document required to be filed with the Fort Recovery Income Tax Department (“Tax Department”), including a request for identifying information.
 - **Late Payment Penalty** = 15% of the amount not timely paid on income tax balances due after the due date.
 - **Underestimated Penalty** = 15% of the amount not timely paid as estimated payments. Estimated payments are required if \$200 will be due with an income tax return after all credits have been taken. Please contact the Tax Department if you have any questions regarding estimated tax requirements.
 - **Late Withholding Tax Penalty** = 50% of the amount not timely paid on withholding taxes for which a business had withheld and remitted after the due date.
 - **Interest** = The interest rate is calculated using the federal short-term rate rounded to the nearest whole number plus five percent and is calculated in July to be applied in the next calendar year. For calendar year 2017, the interest rate is set at 6% or (.5% per month)
- **MANDATORY FILING.** All persons over the age of eighteen and residing within the corporation limits of Fort Recovery, Ohio are required to file a Return regardless of the amount of income earned for the tax year. This is not a new requirement and is set forth herein merely to serve as a reminder.
- **TEN DOLLAR RULE:** No remittance is due with an individual or net profit income tax return or amended income tax return if the amount due is ten dollars or less (however, the mandatory filing requirement set forth above still applies). Likewise, no refunds or credit carryforwards will be granted if the amount of the refund or credit carryforward is ten dollars or less.

All the above changes take effect for tax years beginning January 1, 2016. Please refer to Ohio Revised Code Chapter 718 and the Tax Ordinance for further explanation. For tax years 2015 and prior, please refer to Fort Recovery Income Tax Ordinance No. 1984-10.

Amanda Wyerick
Income Tax Administrator

“This institution is an equal opportunity provider and employer”