

**CITY OF MANSFIELD, OHIO – INCOME TAX DIVISION – WWW.CI.MANSFIELD.OH.US**

30 North Diamond St Mansfield, Ohio 44902 Phone: (419) 755-9711 Fax: (419) 755-9751

**2018 GENERAL INSTRUCTIONS**

**WHO MUST FILE:** Every Mansfield resident eighteen years of age and older must file a Mansfield income tax return. The only exception to this is to have registered with the tax department as retired and your income is not subject to municipal income tax. Every non-resident individual earning income in Mansfield not subject to employee withholding of Mansfield income tax must file an annual Mansfield income tax return. Every non-resident individual with rental property or engaged in a business or profession in Mansfield must file an annual Mansfield income tax return. Partial-year residents must file for the time spent as a resident of Mansfield. Income may be pro-rated for the time lived in Mansfield. Income and tax credits may be pro-rated for the time lived in Mansfield. Attach a worksheet to your return explaining your calculations.

**FILING STATUS:** Individual, married filing separately or married filing joint. Joint returns require signatures of both taxpayers.

**BEFORE YOU START:** Fill in your name(s), birthdates, current address, and social security number(s). Please complete any of the informational lines (located below name and address box) that pertain to you.

**NEW BEGINNING WITH 2017:** If you are requesting that your account be inactivated due to your moving from the City of Mansfield (the jurisdiction) with no intent to return, although retaining a mailing address within the City of Mansfield as your address of record, please enter the date of your move and the reason, and attach supporting documentation with regard to your relocation

**WHEN AND WHERE TO FILE:** This return must be filed or postmarked on or before April 15 2019. and if you are making payment mail to Mansfield Income Tax Division, P.O. Box 577, Mansfield, Ohio 44901, if no payment mail to Mansfield Income Tax Division P.O. Box 607, Mansfield, Ohio 44901. You may also bring your information (W-2s and/Federal Schedules) to the office at 30 North Diamond Street, 7<sup>th</sup> Floor, Mansfield, Ohio 44902, and we will assist you with your Mansfield Income Tax return you. Any taxpayer that has duly requested an automatic six-month extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. If a taxpayer has not requested or received a six-month extension for filing the taxpayer's federal income tax return, they may request that the city tax administrator grant the taxpayer a six-month extension of the date for filing the taxpayer's municipal income tax return. An extension request is not an extension of time to pay. Payment of an estimated tax due should accompany the extension request.

**ESTIMATED TAX PAYMENTS - AVOID PENALTY AND INTEREST:** Section 193.07 of Mansfield Codified Ordinances states: Every person who anticipates a taxable income which is not subject to withholding of income tax or who engages in any business, profession, or activity subject to Mansfield taxation shall file and pay estimated tax as long as the tax amount expected to owe is \$200.00 or more after applicable credits. Such payments are due on April 18, June 15, September 15 and January 15. Complete Lines 16-20 on individual tax form. Estimated payment vouchers can be found on our website.

**DISCLAIMER:** Definitions and Instructions are illustrative only. Chapter 193 of the Mansfield Codified Ordinance supersedes any interpretation presented.

DO NOT SEND CASH THROUGH THE MAIL

Make Checks Payable to: City of Mansfield, Ohio Income Tax  
A \$35.00 SERVICE FEE WILL BE IMPOSED ON ANY RETURNED CHECK  
MASTERCARD, VISA, DISCOVER AND AMERICAN EXPRESS ARE ACCEPTED  
VISIT OUR WEBSITE TO PAY BY PHONE OR VIA THE WEB  
**See next page for a sample list of items that are taxable/non-taxable.**

## **TAXABLE INCOME**

1. Gross wages, salaries, commissions and other compensation including
  - A Sick and vacation pay
  - B Third party sick pay
  - C Income from wage-continuation plans (includes retirement incentive plans)
  - D Stock options – taxed when exercised on the amount on the W-2 form
  - E Cost of group term life insurance over \$50,000
  - F Severance pay
  - G Compensation paid in property or the use thereof at fair market value to the same extent as taxable under the Federal Internal Revenue Act and so indicated on the W-2 form
  - H Tips
  - I Contributions made by or on behalf of employees to tax-deferred annuity plan
  - J Stipends – if work required
  - K Third party disability pay – employer paid premiums
  - L Bonuses
2. Directors' fees
3. Income from jury duty
4. Supplemental unemployment pay – paid by employer
5. Union steward fees
6. Strike benefits paid by company
7. Profit sharing – if from non-qualified plan
8. Moving expense reimbursement – in excess of federally allowed
9. Gambling winnings, such as lottery, sports winnings, and games of chance and prizes and awards. If the taxpayer is a professional gambler for federal income tax purposes, the taxpayer may deduct losses and expense as authorized under the Internal Revenue Code claimed against such winnings.

## **NON TAXABLE INCOME**

1. Active military pay including reserve pay
2. Income earned while under 18 years of age
3. Alimony received/child support received
4. Capital gains
5. Interest
6. Dividends
7. Social Security benefits
8. Worker's Compensation
9. Insurance benefits (not sick pay)
10. Awards for personal injuries or for damages to property from insurance proceeds, punitive damages
11. Welfare payments
12. Pension income – includes lump sum distributions
13. Patent and copyright income
14. Royalties – if derived from intangible property
15. Annuities – at time of distribution
16. Housing for clergy
17. Meals and lodging required on premises
18. Government allotments
19. Profit sharing from qualified plans
20. Unemployment (not sub-pay) compensation
21. Income earned as poll worker
22. Rental income received by a taxpayer age 65 or older totaling less than \$6,350 annually (Must comprise taxpayers total municipal taxable income)
23. Annual income up to \$2500 received by a taxpayer 65 or older

*For items not listed, contact the Income Tax Division for clarification at (419)755-9711.*

## **LINE INSTRUCTIONS FOR PREPARING CITY OF MANSFIELD INCOME TAX RETURN AND ASSOCIATED WORKSHEETS**

- Line 1 Enter total amount of taxable wages (Medicare wages or local wages, whichever is greater). If you have multiple W-2's, complete Worksheet A. See specific instructions for worksheet A. Attach all W-2's, W-2Gs and a copy of your 1040, 1040A or 1040EZ.
- Line 2 Enter the amount of other income from schedule C, E or O from city worksheet B. See specific instructions for worksheet B
- Line 3 Add lines 1 and 2 enter result.
- Line 4 Enter the amount from city worksheet C. See specific instructions for worksheet C
- Line 5 Subtract line 4 from line 3.
- Line 6 New this year use this line to enter allowable Net Operating Loss carryforward (see detail at end of these instructions).
- Line 7 Subtract Line 6 from line 5.
- Line 8 Multiply line 7 by 2.0% (.02). If line 8 is \$200.00 or more you must complete Lines 16-20.
- Line 9 A) Enter total Mansfield tax withheld from W-2's (Worksheet A Column 3).  
B) Enter total of estimated payments and/or prior year credits.  
C) Enter other city credits from Worksheet A Column 4. Credit from each W-2 may not be higher than 1% (.01) of the gross wage on that W-2. Attach appropriate documentation (W-2, other city return, etc.) to receive proper credit. The 1% credit is only on adjusted taxable income.  
D) Add lines 9A through 9C.
- Line 10 Subtract line 9D from line 8. Payments of less than ten dollars (\$10) of net tax due are not required to be paid, nor will refunds of less than ten dollars (\$10) be made. If balance due is not paid by April 15, 2019 penalties and interest will be assessed (See lines 11, 12 and 13).
- Line 11 A \$25/month (up to maximum of \$150) late filing fee is assessed if not filed by April 15, 2019.
- Line 12 Enter 15% (.15) of the unpaid tax on line 10 if paid after April 15, 2019 for a late pay penalty.
- Line 13 Calculate interest at 7% per annum (.583% per month) on unpaid tax due, if paid after April 15, 2019.
- Line 14 Add lines 10 through 13. If less than ten dollars (\$10), do not remit payment, **but still file** the return. Make checks payable to the City of Mansfield.
- Line 15 If line 14 indicates an overpayment of \$10 or more indicate amount to be refunded or credited to next year.

### **Complete 16 through 20 for estimated tax payments – See General Instructions.**

- Line 16 Enter the total estimate of income that will be subject to Mansfield tax for 2019.
- Line 17 Enter credits (city withheld tax, taxes paid to other cities, amount paid by partnerships).
- Line 18 Subtract line 16 from line 17, enter result.
- Line 19 Multiply line 18 by .225, enter result.
- Line 20 Enter amount from line 15 subtract from line 19 and add result to line 14 for total tax and first quarter.
- Line 21 Enter total amount due by adding lines 14 and 20. Pay with check or money order payable to:  
City of Mansfield – Income Tax , P.O.Box 577 Mansfield, Ohio 44901

**YOU MUST SIGN RETURN**

## Worksheet A

Use the highest dollar amount of gross wage from each W-2.

## Worksheet B

Line 1 is for taxable income that was reported on the federal tax schedule C.

Line 2 is for rental income only that was reported on the federal tax schedule E.

Line 3 is for other sources of city taxable income, that are not included in lines 1 and 2.

## Worksheet C

If you turn age 65 during the year and had W-2 income during the year as reported on line 1 of this tax return, you are allowed to reduce your wage amount shown on the W-2 form by \$2,500.00. Show this as a deduction on line 6 of the tax return.

If you turn age 65 during the year and have rental income that is subject to the Mansfield income tax, and **if such income comprises the taxpayer's total income subject to taxation** you can exclude up to \$6,350.00 annually. Show this as a deduction on line 6 of the tax return.

## NEW for 2018 Net Operating Losses (line 6).

House Bill 5 as passed by the State of Ohio General Assembly modified municipal income taxation to allow a net operating loss deduction beginning with losses incurred after January 1, 2017. The loss is a 5 year period. Tax years 2018 through 2022 are limited to the lesser amount of 50% of the taxpayers available NOL or 50% of the net operating loss necessary to reduce the taxpayer's municipal taxable income to zero.

Net operating losses cannot offset qualifying wages (i.e. w-2 income.)

### Example:

In tax year 2017 you had a net operating loss from schedule E for rental losses of \$100.00.

In tax year 2018 you had rental taxable income of \$25.00. Your taxable income for rental activity in 2018 would be \$12.50.

The amount of the loss used from 2017 would be \$12.50 which leaves a balance of \$87.50 which 50% of that would be available (\$43.75) for use in tax year 2019.