

IMPORTANT INFORMATION – READ CAREFULLY AND IN FULL

WHO MUST FILE: All corporations, partnerships, trusts, estates or other entities conducting business in, performing services in, or deriving income (or loss) from activities in the City of Massillon must file a City of Massillon Income Tax Return.

HOW, WHEN AND WHERE YOU MUST FILE: Calendar year basis taxpayers must file not later than April 15, 2011, for tax year 2010. Fiscal year basis taxpayers must file within 4 months after the fiscal year end. Failure to timely file will result in a late filing penalty and may result in other administrative, civil and criminal penalties and interest. A return is considered timely filed when received in the Massillon City Income Tax Department. All returns not filed by mail must be received in the Massillon City Income Tax Department office no later than 4:30 PM on April 15, 2011, or placed in the Massillon Income Tax Department night depository box (located to the right of the Massillon Municipal Government Center City Administration main entry doors) no later than 11:59 pm on April 15, 2011. A return that is mailed through the United States Postal Service is considered received by the City of Massillon Income Tax Department on the date it is postmarked by the United States Postal Service. The date in a postage meter cancellation does not constitute a postmark and the date the return is actually received by the City of Massillon Income Tax Department will determine the date of filing. Deposit of mail late in the day may result in a later postmark and a late filing penalty. Tax returns may be filed in person at the City of Massillon Income Tax Department on the main floor of the Massillon Municipal Government Center located at One James Duncan Plaza SE in downtown Massillon (on the corner of Tremont and First Streets SE). Office hours are 8:30 AM through 4:30 PM Monday through Friday except holidays. Tax returns may be filed by mailing them to City of Massillon Income Tax Department, PO Box 910, Massillon, Ohio 44648-0910.

REQUESTS FOR EXTENSION OF TIME TO FILE: Taxpayers may request an extension of time to file their City of Massillon Income Tax Return by submitting the request in writing to the City of Massillon Income Tax Department. Extensions are not granted on an automatic basis. The request must state reasonable grounds for the extension requested and must be accompanied by a completed copy of the federal extension form as filed with the IRS. The extension request form must be filed with the City of Massillon Income Tax Department not later than April 15, 2011 (for calendar year basis taxpayers) and within 4 months after the taxpayer's fiscal year end (for fiscal year basis taxpayers). Every request for an extension of time to file must be accompanied with a tentative return and must include the payment of the tentative tax due. An extension of time to file will result in interest being charged from the date the tax should have been paid. No extension of time to file or pay the current year's mandatory quarterly estimated tax payments or monthly or quarterly withholding payments will be granted.

METHOD OF PAYMENT: Taxes due must be paid in full by April 15, 2011, for calendar year basis taxpayers. Taxes are due and payable in full by the last day of the fourth month after the fiscal year and for fiscal year basis taxpayers. Taxes may be paid in cash (in person), by check or money order, or by Visa, MasterCard or Discover. Charges to Visa, MasterCard or Discover may be written authorization or by phoning the City of Massillon Income Tax Department at (330) 830-1709

ATTACHMENTS REQUIRED: Copies of all applicable IRS schedules and forms must be attached to City of Massillon Income Tax Return at the time of filing. Other documentation necessary to verify all amounts of taxable or non-taxable income, expenses, and deductions must also be attached to the filed return. Failure to attach all necessary documentation may result in the return being considered incomplete, and could result in the disallowance of expenses, deductions, or the exclusion on non-taxable income.

DETERMINATION OF NET PROFITS: Net profits are determined on the basis of the information used for federal income tax purposes, adjusted by the provisions of the City of Massillon Income Tax Code and Rules and Regulations. Expenses attributable to non-taxable income are not deductible in Massillon, federal and state income taxes, taxes for local benefits or improvements to property which tend to increase its value, and taxes on property producing income not taxable by the City of Massillon Income Tax Code are not deductible.

ALLOCATION OF NET PROFITS: The business allocation percentage formula is to be used by unincorporated businesses, partnerships, professions, corporations, and other entities doing business within and outside the City of Massillon if actual records of their business are not maintained.

The business allocation percentage shall be determined by the ratio of the Massillon portion of:

- (1) Average value of real and tangible property owned, rented or leased by the taxpayer for use in the trade or business.
- (2) Gross receipts from sales made and services performed, regardless of where made or performed. (Can not be less than average of percentages used in Steps 1 and 3.)
- (3) Total payroll.

Add the ratios obtained and divide the total by the number of ratios used to obtain the business allocation percentage. A ratio shall not be excluded from the computation because it is allocable entirely within or entirely outside the City of Massillon. The business allocation percentage is to be applied against the total net profits adjusted in accordance with the provisions of the Ordinance to determine the portion taxable under the Massillon Income Tax Ordinance.

TREATMENT OF NET OPERATING LOSS: The portion of a net operating loss sustained in any taxable year allocable to Massillon may be applied against the portion of the profit of succeeding years allocable to Massillon, until exhausted, but in no event for more than five (5) tax years. No portion of a net operating loss shall be carried back against net profits of any prior year. The portion of a net operating loss sustained shall be allocated to Massillon in the same manner as provided herein for allocating net profits to Massillon.

AMENDED RETURNS: A taxpayer must file an amended City of Massillon Income Tax Return whenever an amended federal return is filed with the IRS or when the taxpayer receives a tax refund from another city, village, or other local taxing authority. An amended return must include a copy of the amended federal return as filed with the IRS.

CONFIDENTIALITY AND TAXPAYER ACCESS: The laws of the State of Ohio and the City of Massillon require information about taxpayer accounts, such as amounts of income, amounts of tax liability and payment of taxes, to be held in strict confidence. Therefore, to safeguard this confidentiality, all requests for taxpayer-specific information (even by a taxpayer about the taxpayer's account) must either be made in person in the City of Massillon Income Tax Department offices, or be in writing and signed by the taxpayer. A written request may authorize the release of information by phone or to another specified person; otherwise all responses to requests for information will be mailed to the taxpayer.

TAXPAYER ASSISTANCE: The staff of the City of Massillon Income Tax Department is committed to providing necessary assistance to all taxpayers. Taxpayer assistance is available by direct assistance of the staff in person or by phone, and by a World Wide Web site on the Internet at www.massillonohio.com. Assistance is provided on a first-come, first-served basis and in a non-discriminatory manner. Please be advised that the nearer to April 15 it is, the greater the number of requests for assistance and consequently the potential for a wait while those seeking assistance earlier are helped.

MANDATORY ESTIMATED TAX PAYMENTS: Taxpayers with net profits from business activities must file the Declaration of Estimated Taxes and make quarterly payments. Forms and instructions are included in the return packet.

RETURNS FOR INDIVIDUALS AND SOLE PROPRIETORS: This form is for use by business entities (except sole proprietorships) only. Individual residents, or non-residents having Massillon income (or losses) including sole proprietors, those who use federal Schedule C, and those who have certain other types of business income are required to file a City of Massillon Individual Income Tax Return, rather than a City of Massillon Business Income Tax Return. Individual Income Tax Returns and Instructions are available from the City of Massillon Income Tax Department.

ADDITIONAL RESOURCES: The City of Massillon's World Wide Web site on the Internet is www.massillonohio.com.