

## GENERAL INFORMATION

### WHO MUST FILE

All corporations, partnerships, trusts, estates, or other entities residing in and/or conducting business in, performing services in, or deriving income (or loss) from activities in the City of Franklin.

Partnerships, joint ventures, associations, or other business owned by two or more persons and residing in and/or conducting business in Franklin are required to file city returns on an entity basis.

This form is for use by business entities only filing IRS form 1120 or 1065. Individual residents or non-residents having Franklin income (or losses), who file as sole proprietors, use Federal Schedule C or have other types of income must obtain an Individual Form IR from the Income Tax Department or from our website.

### AMENDED RETURNS

An amended return is necessary for any year in which an amended Federal return is filed or in which your Federal Tax liability has changed. An amended return must be filed with-in ninety days of the filing date of any amended Federal return and must include a copy of the amended Federal return.

### EXTENSIONS

Extensions are granted on an automatic basis if a federal extension was obtained. Attach copy to return when filed.

An extension of time to file does not give you an extension of time to pay. Interest and penalty will be assessed on any tax balance remaining due after the original due date.

The Ordinance makes no provision for extension on the current year's estimate, which must be filed and any amount due paid by the due date.

### NET OPERATING LOSS

100% of prior year loss can be used to make income zero. Prior year loss cannot be used to make current loss larger. Unused loss amounts can be carried up to 5 years. For TY2017-2022 SEE STATE WEBSITE FOR NOL INSTRUCTIONS.

ATTACH NOL SCHEDULES OR MNP NOL WORKSHEET

### CONSOLIDATED RETURNS

The Income Tax Department may require or disallow the filing of a consolidated return when certain transactions, apportionment of expenses or other devices appear to distort the net profits allocable to Franklin. To produce a fair and proper allocation of net profits, such transactions may be adjusted.

### PENALTY & INTEREST

Late filing fees \$25.00 per month. Penalty and interest are assessed on any unpaid tax liability after the original due date of the return.

Penalty - 15% of the balance due prescribed by the Income Tax Ordinance.

Interest is applied monthly. Interest rates change per calendar year. See website for yearly rates.

### SUPPORTING DOCUMENTS

Documentation is necessary to verify all amounts of taxable or non-taxable income, expenses, and deductions as applicable.

Additional forms, schedules or computations may also be needed to support your city return in certain circumstances.

ATTACH NOL SCHEDULES OR MNP NOL WORKSHEET

### WHEN & WHERE TO FILE

Returns must be filed on or before THE FEDERAL FILING DEADLINE or within 3½ months after the fiscal year end with the City of Franklin Income Tax Division, 1 Benjamin Franklin Way, Franklin, OH 45005-2478

Any tax due must be paid by the filing deadline. Checks or money orders should be payable to City of Franklin Income Tax and should accompany the return. Balances can also be paid online at <https://web2.civicacmi.com/FranklinTax/>

Incomplete returns or returns received without signatures or without proper supporting information will not be accepted; thereby will be subject to late fees, penalty & interest assessments, or delays in refund processing.

### FORMS

Forms can be obtained from the tax office or from our website at [www.franklinohio.org](http://www.franklinohio.org)

## INSTRUCTIONS

### HEADER

- If the tax year is not calendar, fill in the fiscal year dates.
- Answer yes or no to each question.
- Enter the account number, FID, name & address.
- Choose filing status.
- Check yes or no if a federal extension was filed. **Attach a copy.**

### Part A:

**Line 1:** Total taxable income from Federal Form 1120, 1120S, 1065 or appropriate federal schedules. Schedules and/or supporting documentation must be attached. Indicate form & line the amount was taken from.

**Line 2:** Adjustments from page 2 schedule X. Use Schedule X to reconcile federal taxable income to city taxable income, when necessary.

**Line 3:** Combine amounts on Lines 1 and 2 and show the amount on Line 3. Show negative amounts in parentheses.

**Line 4:** Percent allocable to Franklin (from Schedule Y computation). The Business Allocation Formula, Schedule Y, is used to compute the portion of net profits allocable to Franklin when business is conducted both inside and outside of the city. A business allocation formula consisting of the average of property, gross receipts and wages paid may be used by business entities not required to pay tax on entire net profits by reason of doing business both inside and outside of Franklin. However, if the books and records of the taxpayer shall disclose with reasonable accuracy the net profit attributable to Franklin, then only this portion shall be considered as having a taxable situs in Franklin.

**Line 5:** Amount of income subject to Municipal Income tax is computed by multiplying Line 3 by percentage on Line 4.

**Line 6:** Other separately stated items, please attach calculations and provide explanation.

**Line 7:** Amount subject to Franklin Tax. Line 5 minus line 6.

**Line 8:** Franklin Tax Due - Line 7 multiplied by 2%.

**Line 9a:** Show total estimated payments made.

**Line 9b:** Prior year overpayment is amount of tax overpaid in prior year, not refunded, but carried forward for use on the liability for this year.

**Line 10:** Add lines 9a & 9b for total payments and credits.

**Line 11:** Subtract Line 10 from Line 8 to compute the balance of tax due.

**Line 12:** If Line 10 is more than Line 8, then an overpayment exists. Enter the overpayment on Line 12. If Line 12 is more than \$10.00, then you may have the overpayment applied to your next tax year or refunded. Indicate your choice on Line 12. No indication will result in an overpayment credit to next tax year. Refunds will be processed in order of date received.

**Line 13:** Penalty and interest are applied to any balance due if not paid by the original due date of return. Late filing penalty is \$25.00, late payment penalty is 15% of the tax, and interest is .833333%/month.  
\*\*Extensions only waive the late filing penalty.

**Line 14:** Adjusted Balance Due (Add Lines 11 & 13).

**Line 15:** Indicate the income subject to tax for 2024.

**Line 16:** Multiply line 15 by 2%, this is your estimated tax liability for 2024.

**Line 17:** Multiply 22.5% by line 16. This is your first quarter estimated tax due before credits.

**Line 18:** If you chose your overpayment to be credited to 2023, enter the amount from line 12 here.

**Line 19:** Subtract line 16 & line 17, this is your first quarter payment due.  
\*\*Make checks out to Franklin Tax.  
\*\*Pay online at <https://web2.civicacmi.com/FranklinTax/>

**Signature:** The tax return must be signed and dated. We are unable to accept an unsigned return.

If someone other than the taxpayer completes this return, sign as preparer and show address and Federal Identification Number. Indicate by checking yes or no if we may contact your tax preparer regarding this return.

### **Assistance:**

Income Tax Division, Office hours are 8:30 AM to 5:00 PM Monday through Friday. Phone (937) 986-1035. Website is [franklinohio.org](http://franklinohio.org)