

2023 INSTRUCTIONS FOR COMPLETING YOUR

CITY OF FRANKLIN TAX RETURN

- ❖ Print your name, address & social security number clearly. Include spouse, if applicable. If you have moved, indicate date of move, present address & old address.
- ❖ If you have reviewed the taxable/non-taxable income listings and your only source of income is non-taxable, or if any of the exemptions apply and you have no taxable or reportable income, check the appropriate box, sign the return & attach supporting documents. If you have taxable income, you must complete the return.

➤ ATTACH W2 EARNINGS RECORD (SEQY) FROM SOCIAL SECURITY AS SUPPORTING DOCUMENTATION OF ZERO INCOME.

- LINE 1** Add the totals of all W-2s and 1099-MISC and W-2Gs. Attach all W-2s, 1099-MISC & W-2Gs. Use B on page 2 to list W2s.
- LINE 2** Enter the total of all income, from page 2 (worksheet 1). Attach Federal Schedules (C, E, F, K-1, & 1). See state web site for info related to loss carry forward.
- LINE 3** Add lines 1 & 2. This is the amount of income subject to tax.
- LINE 4** Multiply the amount of line 3 by 2.00% (.020).
- LINE 5** Credits
- 5A** Enter total Franklin tax withheld.
- 5B** Enter a credit for the total taxes you paid to other cities on the income you have reported on this return. **DO NOT ENTER THE ACTUAL AMOUNT OF TAX YOU PAID.** You must calculate your credit by using the following steps:
- STEP 1** If all your income was earned in a city with a tax rate less than 2% or equal to 2%, your credit is the amount of tax that was withheld (provided the amount withheld is correct).
- STEP 2** If your income was earned in a city with a tax rate that is greater than 2%, determine what portion of your W-2 had tax withheld at the greater rate. Multiply that part of your W-2 by 2% to find your credit. This step must be completed for each W-2 and each applicable city. If your income is prorated in steps 1 & 2, your credits must be prorated as well.
- 5C** Total estimated tax payments that you paid.
- 5D** Credit carry forward from prior year.
- 5E** Add 5A through 5D.
- LINE 6** Subtract line 5E from line 4. If line 4 is greater than line 5E, you have a balance due. **PAYMENT IN FULL IS DUE BY THE FEDERAL DUE DATE IN APRIL.**
- LINE 7** If line 5E is greater than line 4, you may have an overpayment of tax. If the total is greater than \$10.00, indicate whether you prefer to credit this to next year, or have the overpayment refunded. Allow 90 days for the processing of a refund. Refunds will not be processed if estimated tax is unpaid or underpaid.
- LINE 8** Late payment and/or late filing will result in late filing fee, penalty & interest charges. Late payment, underpayment & non-payment of quarterly estimated taxes will also result in penalty & interest charges. Contact our office for current penalty & interest rates.
- LINE 9** Balance due. Line 6 plus line 8.

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LINE 10 Estimated tax is mandatory if liability exceeds \$200.00. Underpayment of estimated tax will result in penalty & interest. Multiply your gross taxable income by 2% (.020).

LINE 11 Less credits for tax withheld by employers, and prior year credit carried forward.

LINE 12 Net tax due (line 10 minus line 11).

LINE 13 First quarter estimated tax due. Multiply line 12 by 22.5% (.225).

LINE 14 **TOTAL DUE** line 9 plus line 13. **PAYMENT IN FULL IS DUE BY THE FEDERAL DUE DATE IN APRIL.**

- Sign, date & submit along with all required documents and payment.
 - ❖ **A COPY OF YOUR FEDERAL RETURN MUST BE ATTACHED.**
 - ❖ **YOUR RETURN MUST BE SIGNED.**
 - ❖ **ALL FEDERAL SCHEDULES MUST BE ATTACHED.**
 - ❖ **ALL W-2S, 1099-MISC & W2GS MUST BE ATTACHED.**