

Form IR File With
 MONTGOMERY
 Income Tax Office
 10101 Montgomery Road
 Montgomery, OH 45242
 Phone: (513) 891-2424
 FAX: (513) 891-2994
 www.montgomeryohio.org

INDIVIDUAL
2005- MONTGOMERY INCOME TAX RETURN—2005
 DUE ON OR BEFORE APRIL 17, 2006

**PER ORDINANCE: FILING IS REQUIRED
 EVEN IF NO TAX DUE
 A MINIMUM \$25.00 PENALTY WILL BE ASSESSED
 FOR LATE FILING OF THIS RETURN**

TAXPAYER'S NAME, ADDRESS

ACCOUNT NO.

SS# Mr. _____
 SS# Mrs/Ms _____
 PHONE: Home _____ Business _____

IF MOVED DURING CURRENT YEAR, PLEASE GIVE DATE OF MOVE:

MOVED IN _____ MOVED OUT _____

PERMISSION TO CONTACT PREPARER DIRECTLY

Yes, you may contact my preparer directly _____

Do not contact my preparer _____

FOR TAX OFFICE ONLY

FILED _____

CHECK # _____

AMOUNT: _____

1. TOTAL QUALIFYING WAGES (See Instructions) **ATTACH W-2 FORMS (S) AND** _____ \$ _____
PAGE ONE OF THE APPLICABLE FEDERAL 1040 AND SCHEDULES FOR INCOME ON LINES 12, 17, 18 AND 21, IF ANY
2. OTHER TAXABLE INCOME OR DEDUCTIONS FROM LINE 20, PAGE 2 –See Instructions _____ \$ _____
3. TAXABLE INCOME (Line 1, plus or minus line 2) _____ \$ _____
4. MONTGOMERY TAX 1% OF LINE 3 _____ \$ _____
5. CREDITS

- A. MONTGOMERY TAX WITHHELD PER W-2(s) _____ \$ _____
- B. 2005 ESTIMATED TAX PAID TO MONTGOMERY _____ \$ _____
- C. 2005 TAX PAID CITY OR VILLAGE OF _____ (see instructions)... \$ _____
- D. PRIOR YEAR OVERPAYMENT _____ \$ _____
- E. TOTAL CREDITS (Line 5A through 5D) _____ \$ _____

6. IF LINE 4 IS GREATER THAN LINE 5E, PAYMENT OF BALANCE MUST ACCOMPANY THIS RETURN

2005 TAX DUE \$ _____

7. OVERPAYMENT TO BE REFUNDED \$ _____ OR CREDITED \$ _____ TO NEXT YEAR'S ESTIMATE

OFFICE USE ONLY A. Late filing penalty \$ _____ B. Penalty on taxes due \$ _____ C. Interest on taxes due... \$ _____
 D. Unpaid balance (Line 6) \$ _____ plus E. Total Assessments \$ _____ = Total Balance due \$ _____

DECLARATION OF ESTIMATED TAX FOR YEAR 2006

8. TOTAL INCOME SUBJECT TO TAX \$ _____ MULTIPLY BY TAX RATE OF 1% FOR GROSS TAX OF _____ \$ _____
9. LESS EXPECTED TAX CREDITS
 - A. WITHHELD BY EMPLOYER FOR MONTGOMERY (NOT TO EXCEED 1% OF THAT PORTION TAXED) ...\$ _____
 - B. PAYMENTS TO ANOTHER MUNICIPALITY (NOT TO EXCEED 1% OF THAT PORTION TAXED)\$ _____
 - C. TOTAL CREDITS (Lines 9A and 9B)\$ _____
10. NET TAX DUE FOR 2006 (Line 8 less Line9C)..... \$ _____
 - A. OVERPAYMENT FROM PRIOR YEAR (FROM LINE 7 ABOVE)\$ _____
11. TOTAL AMOUNT OF DECLARATION FOR 2006 (Line 10 less line 10A)..... \$ _____
12. AMOUNT PAID WITH THIS DECLARATION (Not less than 1/4 of line 11) \$ _____
13. BALANCE OF ESTIMATED TAX.....\$ _____
14. TOTAL OF THIS PAYMENT (Line 6 plus line 12) \$ _____

Make remittance payable to City of Montgomery and attach when filing. If amount due is less than \$1.01, you need not pay. No refunds under \$1.01

I CERTIFY THAT I HAVE EXAMINED THIS RETURN (INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS) AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE. IF PREPARED B A PERSON OTHER THAN TAXPAYER, THE DECLARATION IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

Signature of Person Preparing if Other than Taxpayer _____ Date _____

Signature of Taxpayer _____ Date _____

Signature of Person Preparing if Other than Taxpayer _____ Date _____

Signature of Taxpayer _____ Date _____

NEEDS TO BE COMPLETED ONLY BY THOSE WHO HAVE OTHER TAXABLE INCOME THAN WAGES OR WHO CLAIM EXPENSES AS A DEDUCTION FROM SUCH WAGES

15. PROFIT FROM ANY BUSINESS OWNED (ATTACH FEDERAL SCHEDULE C)..... \$ _____
16. RENTS, ROYALTIES, PARTNERSHIPS, ESTATES, TRUSTS, ETC \$ _____
(ATTACH FEDERAL SCHEDULE E AND FORM(S) K-1)
17. OTHER INCOME (GAMBLING WINNINGS, FEDERAL SCHEDULE F, OR 1099-MISC)..... \$ _____
18. TOTAL OF LINES 15, 16 AND 17..... \$ _____
- A. NET LOSS PER PREVIOUS CITY INCOME TAX RETURNS \$ _____
- B. TOTAL OTHER INCOME \$ _____
19. CREDITS
- A. DEDUCTIBLE EXPENSES: (ATTACH IRS SCHEDULE(S) 2106 AND/OR 3903 - SEE INSTRUCTIONS BELOW) .. \$ _____
- B. NON-TAXABLE INCOME: (EXPLAIN - SEE INSTRUCTIONS BELOW) _____
\$ _____
- C. TOTAL DEDUCTIONS \$ _____
20. NET OTHER TAXABLE INCOME OR DEDUCTIONS (ENTER ON LINE 2 PAGE 1)..... \$ _____

EXEMPTIONS: ANYONE UNDER 18 YEARS OF AGE WHO HAS NOT PREVIOUSLY FILED A RETURN AND HAS NO EARNED INCOME; ANY RETIRED PERSON, WHO HAS PREVIOUSLY FILED A RETURN ESTABLISHING RETIRED STATUS WITH THE CITY'S TAX OFFICE, AND WHO WILL CONTINUE TO HAVE NO EARNED INCOME.

INSTRUCTIONS: LINES 1 THROUGH 20

This form is to be used by individuals who receive income reported on Federal Forms W-2 or 1099 MISC or Federal Schedules C, E, F or K-1. Individuals who file as Sole Proprietors of Single Member LLCs should also use this form.

- List total of all qualifying wages from all W-2 forms. "Qualifying" wages: generally includes amounts reported in the Medicare wage base; and compensation of pre-1986 employees exempt from Medicare that are not in the Medicare wage base solely because of the Medicare grandfathering provision. Attach W-2 Form (s), page one of the applicable Federal Form (1040, 1040A or 1040EZ) and Federal Schedules from Form 1040 for income on lines 12, 17, 18 and 21, if any. **QUALIFYING WAGES INCLUDES, BUT IS NOT LIMITED TO: 401-K CONTRIBUTIONS, DEFERRED ANNUITY PLANS AND STOCK OPTIONS.** Interest, dividends, capital gains, and retirement income are **NOT** taxable.
- All other taxable income reported on lines 15 through 20. **Business losses may not be used to offset wages.**
- Total lines 1 and 2.
- Multiply line 3 by .01.
- List tax withheld by employer for Montgomery only (per W-2's).
 - Total 2005 estimated tax paid Montgomery.
 - Credit for tax withheld and paid to another municipality may not exceed 1%. Tax withheld at a rate higher than 1% must be reduced. (e.g. tax paid to Cincinnati divided by 2.1 equals Montgomery credit.) (e.g. tax paid to Reading divided by 1.5 equals Montgomery credit.) **No credit is given for county taxes.**
 - Overpayment of 2004 tax applied to 2005 estimated tax.
 - Total lines 5a through 5d.
- Subtract line 5e from line 4. Balance of tax due **MUST** accompany return.
- Overpayment will be applied to 2006 estimate unless a refund is requested. By law, all refunds and credits in excess of \$10.00 are reported to I.R.S.
- Estimate 2006 income: multiply estimated income by .01.
- 1% tax to be withheld for Montgomery by employer.
 - Payment to another municipality (not to exceed 1% credit limit).
 - Total lines 9a and 9b.
- Subtract line 9c from line 8.
 - List overpayment from prior year.
- Subtract Line 10a from Line 10 for the total amount of declaration for 2006. Divide by 4 to arrive at quarterly payment due.
- You may pay the full amount of estimated tax with the filing of this form. One-fourth (First quarter payment) **MUST** accompany this form.
- Balance of estimated tax.
- Total of payment accompanying return (Line 6 plus Line 12).
- Attach copies of Federal Schedule (s) **C**. If tax paid to another city—attach copy of city return.
- Attach copies of Federal Schedule (s) **E** and Form K-1, if applicable. If tax paid to another city— attach copy of city return.
If landlord of property within City of Montgomery; a listing of current tenants, including name, address, move in/move out date, and phone number if available must be provided for the tax filing to be complete.
- Attach copies of Federal Schedule (s) **F**. If tax paid to another city—attach copy of city return OR 1099-MISC OR FEDERAL FORM FOR GAMBLING WINNINGS
- BUSINESS LOSSES MAY NOT BE USED TO OFFSET WAGES.** Operating loss may be carried forward; maximum period of five (5) years.
- Employment expenses included in Line 1. Attach Federal Form 2106. (Applicable only if tax paid to Montgomery.) Moving expense deduction may NOT be used unless reimbursement is included in Line 1. Attach Federal Form 3903.
 - Income may be pro-rated for residents who move into or from Montgomery during the current year. It is also necessary to adjust any credit claimed for other city tax withheld or paid.
- Enter on line 2, page 1.

EXAMPLES OF DEDUCTIONS THAT ARE NOT ALLOWED:

Individual Retirement Account (IRA); Simplified Employee Pension (SEP) plan; Keogh (H.R. 10) Retirement Plan.

EXTENSION POLICY

Extensions may, upon request, be granted for filing of the annual return, provided an IRS extension has been secured. **Extension requests must be made in writing and received by the Montgomery Tax Office before the original due date of the return.** Only those extension requests received in duplicate with a self-addressed, postpaid envelope will have a copy returned after being appropriately marked.

NOTE: UNLESS ACCOMPANIED BY PAYMENT OF THE BALANCE OF THE 2005 TAX DECLARED DUE (LINE 6) AND AT LEAST 1/4 OF THE ESTIMATED TAX FOR 2006 (LINE 11), THIS FORM IS NOT A LEGAL FINAL RETURN OR DECLARATION.