

Kent City Income Tax
325 S. Depeyster St.
Kent, Ohio 44240-3607
(330) 678-8103

File this return with the **Kent Income Tax Dept., Kent, Ohio**, on or before April 15, 2008 or within 120 days after close of fiscal year. Penalty of 5% per month and interest of 1% per month will be assessed on late returns. Tax returns filed after due date are subject to a penalty, even though no tax is due. Extension must be requested by normal filing date. Interest, but no penalty, is imposed if the tax due is paid after the filing date, but within the period as extended. See reverse side for penalty for failure to pay estimated tax timely.

(Tax Office Use Only)

FORM BR-07 BUSINESS INCOME TAX RETURN KENT, OHIO INCOME TAX 2007

For Taxable Calendar Period From January 1, 2007 through December 31, 2007 or Taxable Fiscal Period from 2007 through 2008

(Partnerships and other unincorporated entities owned by two or more persons, Fiduciaries and Corporations, use this Form. Individuals, employees, and individuals engaged in business or profession as sole proprietor thereof, use Form IR-07.)

CODE NO.

PROCESSED BY

EXTENDED BY

Cash M.O.
 Check

Paid with this Return

\$ _____

ACCOUNT NUMBER

Corporate or Trade Name, or name of responsible official, and address as they appear on our records. Make necessary corrections.

NAME:

c / o:

ADDRESS:

CITY:

NET INCOME SCHEDULE

1. **TOTAL TAXABLE INCOME** per applicable completed Federal Form 1120, 1120A, 1120S, 1065, 1041, Schedule C or E or other business form. Please attach copies of all applicable forms including schedules of Depreciation, Other Deductions, Cost of Sales, Wage and Salary Accruals and any other schedules \$ _____
2. **Add** items not deductible under Kent, Ohio Income Tax Ordinance (Sched. X) \$ _____
3. **Deduct** items not taxable under Kent, Ohio Income Tax Ordinance (Sched. X) \$ _____
4. Adjusted Net Income for calendar year, or fiscal year ending, 2008 \$ _____
5. % of line 4 (as determined by Schedule Y) (See * NOTE) \$ _____
6. **Less Loss Carry Forward** - last 5 years only / Kent portion only \$ _____
7. **Total Taxable Income** \$ _____
8. **Kent Income Tax, 2.0% of Line 7** \$ _____
9. **Less:** overpayment from prior years \$ _____
10. **Less:** payments made on account of Declaration of Estimated Income Tax, or amount of tax paid on prior return if this is an amended return \$ _____
11. **Unpaid Balance:** (if line 8 is more than total of lines 9 and 10) of Kent Income Tax, which amount must be paid with the filing of this return (Make check payable to Kent City Income Tax) \$ _____
12. Penalty \$ _____ + Interest \$ _____ (See above) Enter total here \$ _____
13. **Total Due:** (Lines 11 and 12) of Kent Income Tax, which amount must be paid with the filing of this return. (Make check payable to Kent City Income Tax) \$ _____
14. **Overpayment:** (line 8 subtracted from total of lines 9 and 10) of Kent Income Tax \$ _____
15. Use X to indicate overpayment is to be refunded , or applied against 2008 Declaration
NOTE - NO refund will be made until 2008 Declaration is filed.

*NOTE - If % of Adjusted Income is not 100%, you must complete Business Allocation Percentage Formula (Schedule Y).

The undersigned, President or Treasurer (or assistant treasurer, or chief accounting officer) of the Corporation for which this return is made, declares that this return has been examined by him and is to the best of his knowledge and belief, a true, correct and complete return.

Preparer

(President, Treasurer, Partner or Member)

(Title)

Date

NOTE: NOT A VALID RETURN WITHOUT ALL APPLICABLE FEDERAL TAX DOCUMENTS. Make check payable to Kent City Income Tax.

See instructions on reverse side

DECLARATION OF ESTIMATED INCOME TAX - City of Kent, Ohio

For the Period from January 1, 2008 through December 31, 2008
or Fiscal Period from _____, 20____, through _____, 20____

2008

1. ESTIMATE NET INCOME SUBJECT TO KENT, OHIO, INCOME TAX \$ _____
2. ESTIMATED KENT, OHIO, INCOME TAX at Two percent (2.0%) of line 1 \$ _____
3. LESS PAYMENTS made on prior declaration for the period IF this is an amended declaration \$ _____
4. Unpaid Balance of estimated 2008 Kent, Ohio Income Tax (Line 2 - Line 3) \$ _____
5. ONE-QUARTER (1/4) OF LINE 4 \$ _____
6. LESS CREDIT OR OVERPAYMENT SHOWN ON 2007 RETURN (Line 14 above) \$ _____
7. AMOUNT DUE WITH THIS DECLARATION, and enclosed herewith \$ _____

#750884

(CYKBR9)

STINAFS • 330/434-2106

SCHEDULE X

Adjustment of Book Profit (or Loss) for Income Not Taxable, and Items Not Deductible, Under Provisions of Kent, Ohio, Income Tax Ordinance

(Schedule X entries are allowed ONLY to the extent directly included in determination of net profits as shown on Line 1, Page 1.)

Items Not Deductible – ADD		Items Not Taxable – DEDUCT	
a. Net loss from sale, exchange, or other disposition of capital or other assets (Capital Losses)	\$	g. Net gain from sale, exchange or other disposition of capital or other assets (Capital Gains)	\$
b. All expense (including interest) incurred in connection with income generated which is not subject to Kent, Ohio Income Tax		h. Other intangible income	
c. Kent, Ohio, Income Taxes paid or accrued			
d. Other taxes based upon income, paid or accrued including State of Ohio Corp. Franchise			
e. Net operating loss deduction-losses incurred prior to January 1, 2002 cannot be carried forward			
f. 5% of item h		(*See NOTE)	
TOTAL ADDITIONS (enter on line 2, page1)	\$	TOTAL DEDUCTIONS (enter on Line 3, Page 1)	\$

*NOTE – DO NOT enter any rental income as a deduction regardless of where rental properties are situated.

SCHEDULE Y Business Allocation Percentage Formula (Sections 181.04 and 181.041 of Codified Ordinance of the City of Kent)

Schedule Y must be completed unless separate records are kept for net income subject to Kent tax.

Business Allocation Percentage Formula as set forth in above referenced ordinance, may be used to compute the percentage of the entire Net Profit (derived from activities both within and outside the City of Kent) which is taxable under the ordinance, and to determine the tax payable to the City of Kent thereunder.

Tangible Property	Tangible Property Located Everywhere		Tangible Property Located in Kent	
	Beginning of year	End of year	Beginning of year	End of year
Book Value of Real and Tangible Personal Property: (*See NOTE below) use dollars only.				
1. Depreciable Assets:				
Land Improvements	\$	\$	\$	\$
Buildings				
Machinery and Equipment				
Furniture and Fixtures				
Delivery Equipment				
Other				
Total	\$	\$	\$	\$
Less reserve for depreciation				
Net depreciable assets	\$	\$	\$	\$
2. Land				
3. Inventories				
4. Other tangible assets				
Total of above real and tangible property	\$	\$	\$	\$
5. AVERAGE VALUE of real and tangible property: (sum of beginning and ending totals divided by 2)	Located Everywhere \$		Located in Kent \$	

*NOTE: – The values to be used for real and tangible personal property are the original costs. If real property is rented, value shall be determined by multiplying real property by eight (8).

CALCULATION OF TAXABLE PROPORTION

Divide (b) by (a) to obtain decimal – carry out at least four places

Allocation Factors (use dollars only)	Grand Total Factors (a)	Kent Factors (b)	Percentage (c)
6. Average value of real and tangible personal property (line 5 above)	\$	\$	%
7. Gross sales of merchandise, less returns and allowances	\$	\$	
Charges for work or service performed			
Other income (do not include income from intangibles subject to taxation under statutes of the State of Ohio)			
Total Business Receipts Factor	\$	\$	%
8. Wages, salaries and other personal service compensation	\$	\$	
Less Compensation of executive officers or owner members			
Total Net Wages Factor	\$	\$	%
9. Total percentage			%
10. Average percentage (line 9 divided by number of per cents in Column (c). Carry to line 5, page 1			%

NOTE: Business domiciled in Kent must include work performed in non-taxable areas in column (b)

GENERAL INSTRUCTIONS – DECLARATION OF ESTIMATED KENT, OHIO, INCOME TAX

WHO MUST FILE – A declaration must be filed by all business entities who can reasonably expect to owe City of Kent Income Tax of \$60.00 or more at year's end.

WHEN TO FILE – If on a calendar year, file on or before April 15, 2008. If fiscal year, file on or before last day of fourth month after the beginning of the year in question.

ANNUAL TAX RETURN – Must be filed by declarers after the close of the taxable year and based on actual taxable income. At such time, payment is made of any balance of tax due, or claim of credit (or refund) of any overestimated tax paid.

IMPORTANT NOTICE – The failure of any employer, taxpayer or person to receive or produce a return, declaration or other required form shall not excuse him from making any information return or declaration, from filing such form, or from paying tax. Extensions are not granted for filing of Declaration of Estimated Tax even though extension may be granted for filing of Final Tax Return. Please return entire form. A new one will be mailed if extension is granted.

PENALTIES – A penalty of 15% of the tax owed on the final return is imposed for failure to file a good faith Declaration of Estimated Income Tax; and for failure to pay all scheduled payments by January 31, 2009, a penalty of 15% of the unpaid estimate is imposed. Any Declaration of Estimated Income Tax which is not at least the lesser of 80% of the tax due on the final return or 100% of the tax due on the prior year final return shall be presumed not to have been filed in good faith.

PAYMENT SCHEDULE (Calendar Year Only) – The first payment must accompany the declaration, paying at least 1/4 of amount of estimated tax due. Remainder due: at least 1/4 by July 31, 2008; at least 1/4 by October 31, 2008; at least 1/4 by January 31, 2009.

PAYMENT SCHEDULE (Fiscal Year Only) – Fiscal year taxpayer payments are due on or before the last day of the fourth, seventh, tenth and thirteenth month after the beginning of the taxable year in question.