

For Calendar year 2007 or Fiscal year ended \_\_\_\_\_ 2008.  
 MAIL TO: TAX DIVISION, 325 S. DEPEYSTER ST., KENT, OHIO 44240-3607

Your Account Number \_\_\_\_\_

**DUE DATE APRIL 15, 2008**

MAKE CHECK OR MONEY ORDER  
 PAYABLE TO  
 KENT CITY INCOME TAX

**OFFICE HOURS**

8am - 5pm Mon. - Fri.  
 9am - Noon Sat., April 12  
 8am - 7pm Tue., April 15  
 phone: (330) 678-8103

**2007**

**Form IR-07**

CITY OF KENT, OHIO

INDIVIDUAL  
 INCOME TAX  
 RETURN

(BOXES BELOW FOR TAX OFFICE USE)

CASH	RECEIVED BY	CHECK	CHECK NO.

Your social security # \_\_\_\_\_  
 Spouse's social security # \_\_\_\_\_  
 NAME AND ADDRESS: \_\_\_\_\_

If student, please supply permanent address if different:  
 address: \_\_\_\_\_  
 city/state/zip: \_\_\_\_\_

Were you a Kent resident for the entire year?  yes  no  
 If NO, period of residency in Kent:  
 from: \_\_\_\_\_ to: \_\_\_\_\_

**PLEASE READ GENERAL INSTRUCTIONS ON REVERSE SIDE BEFORE PREPARING THIS RETURN**

1. Wages, Salaries and other employee compensation. (See Instruction 8 - Reverse Side) ..... \$ \_\_\_\_\_ (1)  
 USE HIGHEST DOLLAR AMOUNT ON EACH W-2.
2. Allowable 2106 Employee Business Expense. (SEE INSTRUCTION 4-REVERSE SIDE) ..... \$ \_\_\_\_\_ (2)
3. Other Taxable Income (From Schedule X below, if used) (Losses not deductible) ..... \$ \_\_\_\_\_ (3)
4. Total Taxable Income Line 1 - Line 2 + Line 3 (CANNOT BE LESS THAN LINE 1 - LINE 2) ..... \$ \_\_\_\_\_ (4)
5. City Tax, 2.0% (Line 4 x .02) ..... \$ \_\_\_\_\_ (5)
6. CREDITS A. Taxes withheld \$ \_\_\_\_\_ (Max. allowed 2.0%) (See Instruction 5) ..... (A)  
 B. Estimated taxes paid to City of Kent ..... (B)  
 C. Prior year overpayment ..... (C)  
 TOTAL CREDITS ..... \$ \_\_\_\_\_ (6)
7. AMOUNT YOU OWE: (If Line 5 is more than Line 6) (Line 5 - Line 6) ..... \$ \_\_\_\_\_ (7)  
 A. Penalty \$ \_\_\_\_\_ + Interest \$ \_\_\_\_\_ (If paid after April 15, 2008 - See Instruction 12) = \$ \_\_\_\_\_ (7A)  
 B. Penalty for underpayment of Estimated Tax (See General Instructions - Penalties) ..... \$ \_\_\_\_\_ (7B)
8. OVERPAYMENT (If Line 6 is more than Line 5) ..... \$ \_\_\_\_\_ (8)
9. Amount from Line 8 below ..... \$ \_\_\_\_\_ (9)
10. TOTAL AMOUNT DUE (Make check payable to Kent City Income Tax) Lines 7 + 7A + 7B + 9 \$ \_\_\_\_\_ (10)
11. A. Overpayment to be refunded Yes  No  NOTE: Amount of 99¢ or less is not refundable or payable  
 B. Overpayment to be credited on the 2008 estimate Yes  No  (See Line 7 below.)
- NOTE: No refunds will be issued until 2008 Declaration is filed.**

I certify I have examined this Income Tax Return including accompanying schedules, forms, and statements and believe it is true and complete; and that the figures used herein are the same as used for reporting Federal income. (NOTE: Your RETURN MUST BE SIGNED to be considered valid.)

SIGN HERE \_\_\_\_\_  
 Taxpayer Signature (DATE) Signature of preparer other than Taxpayer  
 \_\_\_\_\_  
 Spouse's Signature (if filing jointly) (DATE) Type or Print Above Signature

**SCHEDULE X Other Taxable Income or Adjustment to be used on Line 3**

X1. Business Profit or Loss: Federal Schedule "C" <b>attach schedule</b> (Kent's allocation) .....	\$ _____	(X1)
X2. Rental Income: Federal Schedule "E" <b>attach schedule</b> (Kent's allocation) .....	\$ _____	(X2)
X3. Other Income: Attach explanation and/or Federal Schedule i.e. 1099, Schedule F, etc. ....	\$ _____	(X3)
X4. Adjustments: Attach explanation and/or Federal Form .....	\$ _____	(X4)
X5. Business Loss Carried Forward from prior year (See Instruction 11 - Reverse side) .....	\$ _____	(X5)
X6. ....	\$ _____	(X6)
TOTAL	\$ _____	(X6)

ATTACH LEGIBLE COPY OF APPLICABLE FEDERAL SCHEDULE OR FORM. NOT VALID RETURN WITHOUT APPLICABLE FEDERAL SCHEDULE AND/OR FORM

**2008 DECLARATION OF ESTIMATED INCOME TAX - City of Kent, Ohio**  
 For the period of January 1, 2008 thru December 31, 2008

See Instructions on Reverse Side for Filing Requirements.

1. ESTIMATED TAXABLE INCOME FOR 2008 TAX YEAR .....	\$ _____	
2. ESTIMATED KENT, OHIO, CITY INCOME TAX, two percent (2.0%) of line 1 .....	\$ _____	
3. TAXES WITHHELD FOR KENT AND OTHER LOCALITIES .....	\$ _____	
4. PAYMENTS made on prior declarations for 2008 IF this is an amended declaration .....	\$ _____	
4A. Enter Total of Line 3 & 4 Here .....	\$ _____	
5. UNPAID BALANCE of estimated Kent City Income Tax (Line 2 less Line 4A) .....	\$ _____	
6. ONE-QUARTER (1/4) OF LINE 5 .....	\$ _____	
7. LESS ANY CREDIT from 11.B. above .....	\$ _____	
8. AMOUNT DUE WITH THIS DECLARATION and enclosed herewith .....	\$ _____	

(Must be equal to amount entered on Line 6, less any credit shown on line 7. If amount is less than or equal to zero, then enter zero.)

ATTACH LEGIBLE COPY OF EACH W2 FORM TO REVERSE SIDE OF THIS FORM

1. WHO MUST FILE: Every resident of Kent, eighteen (18) years of age or older, whether or not tax is due thereon, shall make and file a return annually. Retired persons must file a final return stating they are retired, then future filings are not required unless they have earned income, then they must again file a tax return. Failure to return this form by the due date may result in your being summoned to appear at the Tax Office in person with your tax records. If you had no taxable income, write "none" on lines 1, 2 and 3, sign this form, and return it before April 15, 2008.
2. If an extension is needed, it must be requested on OR before April 15, 2008. You must provide the Tax Division with a copy of your Federal Extension Form 4868. If an extension is NOT obtained and the tax return is late, a substantial penalty is imposed in accordance with the income tax ordinance. See 12 below.
3. All applicable W-2's and Federal schedules and forms must be attached in order to make this tax form valid. If an invalid tax form is filed, it will be returned to the taxpayer (that is, it will NOT be accepted). If there are not enough copies of the W-2 forms, a legible photocopy is acceptable. Your employer can supply you with a replacement W-2 form when the original is not available.

4. For **2106 Employee Business Expenses** to be considered in determining taxable income to the City of Kent you must attach a copy of your Federal Form 2106, Federal 1040 and Schedule A. Reduction for allowable 2106 Expense is permissible from W-2 income only. Taxpayer can only receive refund for 2106 expenses from the city where the tax is withheld. If the 2106 pertains to income earned in a city with a lower tax rate than Kent, a reduction of the tax due is allowable only for the difference in the tax rate. Allowable 2106 expense will be reduced 2% of the taxpayer's Adjusted Gross Income as reported on Federal Form 1040.

5. Kent allows a tax credit for taxes withheld and/or paid to another municipality up to and including Kent's rate of 2.0%. **This applies to each W-2.**
6. Business income must include Recapture of Depreciation (Form 4797). Expense deductions on Schedule C must be proper, ordinary, necessary and reasonable. A deduction is allowed for 1/2 of Self-Employment tax in calculating business or self-employment income or loss. A copy of Federal Schedule SE (Form 1040) must be included or deduction will be disallowed.
7. Real estate agents who represent a broker whose office is located in Kent are required to include in their report all commission earned regardless of location of property sold or residence of salesperson.
8. **EXAMPLES OF TAXABLE INCOME:** Employee compensation is defined as salaries, wages, commissions, and other compensation paid by an employer before any deductions. Other compensation would include but not be limited to: tips, bonuses, tax shelter plans, payment of any type for services rendered, vacation and holiday pay, wage continuation plans, director's fees, stock options granted in connection with the performance of services and not designated as capital gains, sick pay (including third party sick pay) or long term disability pay, incentive payments, employer paid premiums for group-term insurance in excess of \$50,000, dismissal or severance pay, property in lieu of cash, free rent in lieu of cash, lottery or gaming winnings in excess of \$100.00, and company closing benefits. **THE KENT CITY INCOME TAX IS LEVIED ON THE GROSS W-2 WAGES (HIGHEST DOLLAR AMOUNT ON EACH W-2).** **TAX DEFERMENT PLANS**, including I.R.A. and Keogh contributions, are not allowable deductions for Kent City Income Tax purposes. Section 125 Cafeteria Plans are deductible from gross wages to the extent allowed by Federal Law. Above list is not all-inclusive.
9. Every person owning rental property located in Kent must file a return due to the mandatory filing requirements (the \$250 gross rent limit no longer applies). The rental schedule must be attached - Federal Form - Schedule E (Both Sides) and Form 4562.
10. **SOME INCOME IS NOT TAXABLE, SOME EXAMPLES:** Interest, Dividends, Military Pay, Pensions, Social Security, Capital Gains, Annuities when received as retirement, Workers' Compensation Insurance, Welfare Payments, Unemployment Insurance Benefits, Medicare, Alimony, Child Support, Proceeds of Insurance, Income Earned before 18 years of age, Annual Earnings as a Precinct Election Official up to \$1,000.00, Jury Duty Fees, Strike Pay. Above list is not all-inclusive.
11. **THE TAX DUE ON W-2 (EMPLOYEE INCOME) CAN NOT BE REDUCED BY LOSSES FROM:** 1. Rental Property, 2. Self-Employed Business or Profession or 3. Partnership Activity. Business losses can be carried forward for a period of five (5) years to offset a business gain in future years.
12. If taxes are filed and paid after April 15, 2008, or in the case of an extension the taxes are paid after the period of extension; penalty and interest are imposed on the outstanding balance per provisions of the Kent City Income Tax Ordinance. Interest, but no penalty is imposed if the tax due is paid after the filing date, but within the period as extended. Interest is one percent (1%) per month, or part thereof, on the outstanding balance. Also, penalty is assessed at the rate of 5% per month, or part thereof, with a maximum of 25%. Tax returns filed after June 30, 2008 will be subject to a penalty of \$15.00, even though no tax is due. Tax returns with tax due filed after April 15, 2008 will be subject to penalty of \$25.00.

FOR YOUR CONVENIENCE Kent City income tax forms will be filled out free of charge by the tax division personnel at the Tax Office. Bring with you your completed Federal tax return with schedules.

## GENERAL INSTRUCTIONS – DECLARATION OF ESTIMATED INCOME TAX

**WHO MUST FILE A DECLARATION?** All taxpayers who expect to owe income tax of \$60.00 or more for the year because of income not subject to withholding or withholding is less than 2% must file a good faith Declaration of Estimated Income Tax. (see PENALTIES for definition of good faith). **IN THE EVENT THAT THE ESTIMATED TAX WHICH OTHERWISE WOULD BE REPORTED ON A DECLARATION OF ESTIMATED INCOME TAX IS LESS THAN \$60.00 FOR THE TAXABLE YEAR IN QUESTION, A DECLARATION OF ESTIMATED INCOME TAX NEED NOT BE FILED.**

**WHEN TO FILE**—For 2008 the taxable period is January 1, 2008 through December 31, 2008, therefore the declaration must be filed on or before April 30, 2008. Amended declarations may be filed on or after July 31, 2008.

**PAYMENT OF TAX**—The declaration of estimated tax must be accompanied by at least one-fourth of the estimated tax shown due thereon (Line 8 of Declaration). The estimated tax due may be paid in full with the declaration or in equal installments on or before April 30, 2008; July 31, 2008; October 31, 2008; and/or January 31, 2009.

**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.

**RATE OF TAX**—The rate of tax is two percent (2%) on all income earned or accruing on or after January 1, 2008.

**IMPORTANT NOTICE**—The failure of any employer, taxpayer or person to receive or procure a return, declaration or other required form shall not excuse him from making any information return, return or declaration, from filing such form, or from paying the tax.

**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.

Please send completed "TAX OFFICE COPY" to the Income Tax Office, 325 S. Depeyster St., Kent, Ohio 44240-3607, accompanied with proper remittance. Do not remit cash by mail. Postage stamps are not acceptable as payment. Please make a copy and retain for your own records.