



# 2023 CITY OF WHITEHALL BUSINESS – FORM W-1120 GENERAL INSTRUCTIONS

CITY OF WHITEHALL  
INCOME TAX DIVISION  
360 SOUTH YEARLING ROAD  
WHITEHALL, OHIO 43213-1894  
(614) 237-9803  
FAX (614) 237-7902

## WHO MUST FILE

You must file an annual net profit return if you are engaged in the following business enterprises and perform services in, or derive income (loss) from activities in the City of Whitehall. This includes Associations (including Partnerships, Joint Ventures, etc.), all corporations (including S-Corporations) and Fiduciaries (Estate and Trusts).

You must file Form W-1120 even if a net loss is reported by the business.

## WHEN AND WHERE TO FILE

Returns must be filed on or before April 15, 2024 or by the 15th day of the fourth month after the fiscal year end. File with: CITY OF WHITEHALL INCOME TAX DIVISION, 360 SOUTH YEARLING ROAD, WHITEHALL, OHIO 43213-1894.

## PAYMENTS & OVERPAYMENTS

Make checks payable to: CITY OF WHITEHALL. Payment of net tax due of or less than ten dollars (\$10.00) is not required nor will overpayments of or less than \$10.00 be refunded or credited to your account against other liability.

Payment due dates will not be extended for any reason. Whitehall charges penalty and interest on taxes that are unpaid to the city after they are due. This includes underpayment or late payment of estimated payments. This penalty is 15% of the amount unpaid tax when it is due, and the annual interest rate on unpaid taxes is 7%. Whitehall also charges penalties for late filing; this penalty is \$25.00 for failing to file this return in a timely fashion.

## EXTENSIONS

File a copy of your Federal extension request with the city by the original due date of your year-end tax return, including payment of any tax estimated to be due. An extension request **does not apply to the tax due nor does it apply to the current year Declaration of Estimated Tax** and associated payments. An extension request will not be honored if you have delinquent tax matters and/or did not file a copy of the Federal extension by the original tax return due date.

## ATTACHMENTS REQUIRED

**Corporations** must attach copies of Pages 1 through 5 of their Federal Form 1120. Corporations who file their Federal return using Form 1120A should attach copies of Pages 1 and 2 of their 1120A.

**S-Corporations** must attach copies of Pages 1 through 4 of their Federal Form 1120S and copies of all K-1's. NOTE: Preparers should note each member's share of city income tax paid on each member's behalf on their respective K-1's.

**Partnerships/Associations** must attach Pages 1 through 5 of their Federal Form 1065 and copies of all K-1's. NOTE: Preparers should note each partner's share of city income tax paid on each partner's behalf on their respective K-1's.

**Fiduciaries/Trusts/Estates** must attach a copy of Page 1 of their Federal Form 1041.

## FEDERAL FORMS:

Attach complete copies of the following if attached to the business's federal tax return:

- Schedule of other income
- Schedule other deductions
- Federal Form 1125-A other costs
- Federal Form 8825
- Federal Form 4797
- Federal Schedule E
- Federal Schedule D
- Federal Form 1125-A
- Federal Schedule M-3
- Federal Form 8949
- Copies if all 1099-Misc/NEC forms issued to central Ohio residents.

## Other attachments:

Additionally, in order to avoid delay in processing or disallowance of undocumented credits or losses by the Tax Commissioner, your business should attach any other municipal income documentation, including:

- A list of disregarded entities covered by this return,
- Schedules
- Other municipal income tax returns.
- Supporting documentation necessary to verify credits, income, losses or other pertinent factors on the return.

## NET PROFIT

Due to State mandated changes, net profit is defined as Adjusted Federal Taxable Income (AFTI) for a taxpayer other than an individual. Refer to the Ohio Revised Code, Chapter 718.

## SCHEDULE X - Reconciliation with Federal Return

Complete Schedule X to reconcile federal taxable income to city taxable income. The adjustments to be used on Schedule X are described as follows:

- Deduct intangible income to the extent included in federal taxable income (allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income).
- Add an amount equal to 5% of intangible income deducted, excluding that portion of intangible income directly related to the sale exchange or other disposition of property described in section 1221 of the I.R.C.
- Add any losses allowed as a deduction in the computation of federal taxable income if the losses directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the I.R.C.
- Deduct income and gain included in federal taxable income to the extent the income and gain directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the I.R.C., except, this section does not apply to the extent the income or gain is income or gain described in section 1245 or 1250 of the I.R.C.
- Add taxes on or measured by net income allowed as a deduction in the computation of federal taxable income.
- In the case of a R.E.I.T. or R.I.C., add all amounts with respect to dividends to, distributions to, or amounts set aside for or credited to the benefit of investors and allowed as a deduction in the computation of federal taxable income.
- If the taxpayer is not a C corporation and is not an individual, the taxpayer shall compute adjusted federal taxable income as if the taxpayer were a C corporation, except: (i) guaranteed payments and other similar amounts paid or accrued to a partner, former partner, member, or former member shall not be allowed as a deductible expense; and (ii) amounts paid or accrued to a qualified self-employed retirement plan with respect to an owner or owner-employee of the taxpayer, amounts paid or accrued to or for health insurance for an owner or owner-employee, and amounts paid or accrued to or for life insurance for an owner or owner-employee shall not be allowed as a deduction. NOTE: Nothing in this section shall be construed as allowing the taxpayer to add or deduct any amount more than once or shall be construed as allowing the taxpayer to deduct any amount paid to or accrued for purposes of federal self-employment tax.

## SCHEDULE Y - APPORTIONMENT FORMULA

A business apportionment formula consisting of the average original cost of property, gross receipts and wages paid must be used by business entities not required to pay tax on entire net profits, by reason of doing business both within and without the City of Whitehall. Determine the average ratio of the following

**(Step 1)** Average original cost of the real and tangible property owned or used by the taxpayer in the business or profession in Whitehall during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated. NOTE: Real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight.

**(Step 2)** Gross receipts of the business or profession from sales made and services performed in Whitehall during the taxable period to gross receipts of the business or profession during the same period from sales made and services performed, wherever made or performed.

**(Step 3)** Wages, salaries and other compensation paid during the taxable period to persons employed in the business or profession for services performed in Whitehall to the wages, salaries and other compensation paid during the taxable period to persons employed in the business or profession wherever their services are performed, excluding compensation exempt from taxation under section 718.011 of the Ohio Revised Code.

## NET OPERATING LOSS CARRY-FORWARD WORKSHEET

You must complete the NOL carry-forward worksheet if you are carrying forward a net operating loss from a previous tax return to this year's return to this year's return.

**Column 1:** For each prior tax year, for which you incurred a net operating loss (NOL), enter the dollar amount of NOL incurred.

**Column 2:** Enter the portion of NOL incurred (from Column 1) which has already been utilized in taxable years prior to the current taxable year.

**Column 3:** Carryforward available for current tax year (Column 1 minus Column 2).

**Column 4:** Enter carryforward utilized on current tax year's return.

Net operating loss carry-forwards are permitted beginning in tax year 2023 at 100% of the current year's income.

**Column 5:** Carryforward available for future tax years (Column 3 minus Column 4).

**Totals:** Enter total of Column 3, 4, and 5. Enter the total from Column 4 to Page 1 2c.

**NOTE:** NOL carry forwards are limited to five (5) consecutive years from the year of loss. Losses may not be carried back to any prior years. (2017-2021 Limited to 50%)

## CONSOLIDATED RETURNS

A consolidated City tax return will be accepted from any affiliated group of corporations subject to Whitehall city tax, if that group filed for the same tax reporting period, a consolidated return for federal tax purposes pursuant to Section 1501 of the Internal Revenue Code.

## 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 within 3 months of the filing date of any amended Federal return and must include a copy of the amended Federal return. Filing must include payment of any additional tax owed.

## DECLARATION OF ESTIMATED TAX – CURRENT YEAR

Any entity anticipating Whitehall city tax liability of \$200.00 or more shall file a declaration of estimated tax and pay quarterly payments. No extensions of time to file or pay will be granted.

For calendar year taxpayers, payments are due:

- April 15, 2024
- June 15, 2024
- September 15, 2024
- December 15, 2024

For fiscal year filers, payments are due:

- The 15 th day of the fourth month, and
- The 15 th day of the sixth month, and
- The 15 th day of the ninth month, and
- The 15 th day of the twelfth month of the business's year.