

INSTRUCTIONS FOR PREPARING CANAL FULTON TAX FORM

If you need help calculating wages and credits, use PART YEAR/MULTIPLE CITY WORKSHEET.

Line 1 – WAGES

Enter Taxable Wages. Use W-2 Box 5 or Box 18, whichever is higher.

Line 2 – OTHER TAXABLE INCOME

List all other taxable income not reported elsewhere on this return. Types of income to be reported include fees, prizes, awards, gas and oil royalties, supplemental unemployment benefits, depreciation recapture, and ordinary income shown on federal form 4797. Also, include income reported to you on form 1099 not reported elsewhere on the return except interest, dividend, pension, and social security income.

Line 3 – TOTAL INCOME

Add lines 1 and line 2. Business losses may be carried forward for up to five (5) years, but cannot be used to offset income from salaries and wages.

Line 4 – CANAL FULTON TAX

Multiply taxable income on line 3 by 2%

Line 5 – Estimated tax payments made

Line 6—Taxes paid to Canal Fulton (CAN NOT use Northwest School District Tax as a credit)

Line 7 – Overpayment from previous year

Line 8 – Credit for other taxes paid to other cities.

The credit limit for other City taxes paid (THIS MUST NOT EXCEED 100% of the 2% tax rate.)

IMPORTANT MESSAGE: Withholding more than 2 % from one W-2 form MAY NOT be used as credit toward another W-2 form for earnings withheld at less than 2%.

Line 10,11,12 – Overpayment (Credit or Refund (Form RR must be complete for refund))

Line 13,14 – TAX DUE

Late Filing Penalty: A penalty of \$25.00 after April 15th or the IRS Due Date even if no tax is due.

Late Payment Penalty: A penalty of 15% will be assessed after April 15th or the IRS Due Date on the remaining unpaid tax balance. Interest: .583% per month (7% annually) will be assessed on the first of each month on taxes remaining unpaid after

April 15th or the IRS Due Date. NOTE: MAKE CERTAIN THAT RETURNS MAILED ARE U.S. POSTAL SERVICE

POSTMARKED ON OR BEFORE APRIL 15th OR THE IRS DUE DATE.

LINE 15-20 Estimated Payments

Line 21 Amount you owe

Line 13+Line 14+ Line 20