

Business Tax Return 2007

OR

FISCAL PERIOD _____ TO _____

Amended Return - Tax Year: _____

Calendar Year Taxpayers file on or before April 15, 2008
Fiscal Year Due on 15th Day of 4th Month After Year End

City of Blue Ash

Income Tax Office
4343 Cooper Road
Blue Ash, OH 45242
Phone: (513) 745-8516
Fax: (513) 745-8651
Website: www.blueash.com
Email: blueashtax@blueash.com

THIS SPACE IS FOR OFFICIAL USE ONLY

Did you file a City return last year?
 YES NO

Is this a combined corporate return?
 YES NO

Should your account be inactivated? YES NO
If YES, please explain:

FID# _____ - _____

Phone # _____

Filing Status (Check one)

C-Corporation S-Corporation
 LLC Partnership/Association

If the information above is incorrect, please make corrections.

Partial Year: Start date _____ End Date _____

Part A TAX CALCULATION

1.	Adjusted Federal Taxable Income (Attach Copy of Federal Return) From Form _____ Line _____	\$	
2.	Adjustments (From Line L, Schedule X)	\$	
3.	Taxable income before apportionment (Line 1 plus/minus Line 2)	\$	
4.	Apportionment percentage (From Step 5, Schedule Y) _____%		
5.	Blue Ash taxable income (Multiply Line 3 by Line 4)	\$	
6.	Net operating loss carry-forward limited to five years (attach schedule)	\$	
7.	Amount subject to Blue Ash income tax (Line 5 plus/minus Line 6)	\$	
8.	Blue Ash income tax (Multiply Line 7 by 1.25% [.0125])	\$	
9 a.	Estimates paid on this year's liability	\$	
9 b.	Credits applied to this year's liability	\$	
10.	Total payments and credits (Lines 9a + 9b)	\$	
11.	Tax due (Subtract Line 10 from Line 8)	\$	
12.	Overpayment (Line 10 greater than Line 8)	\$	
13.	Amount to be refunded (Amounts less than \$1 will not be refunded)	\$	
14.	Amount to be credited to next year	\$	

Part B DECLARATION OF ESTIMATED TAX FOR 2008 – Mandatory if estimated Liability is \$100.00 or more

15.	Total estimated income subject to tax	\$	
16.	Blue Ash income tax declared (Multiply Line 15 by 1.25% [.0125])	\$	
17.	Tax due before credits (at least 25% of Line 16)	\$	
18.	Less credits (from Line 14 above)	\$	
19.	Net estimated tax due if Line 17 minus Line 18 is greater than zero*	\$	
20.	TOTAL AMOUNT DUE —Line 11 plus Line 19 (Make checks payable to the Blue Ash Income Tax Office)	\$	

FOR TAX OFFICE USE ONLY

Tax \$ _____ Penalty \$ _____ Interest \$ _____ Late _____ months TOTAL DUE \$ _____

***Subsequent estimated payments are due by the last day of the month following each quarter of the taxable year.**

Check here if we may contact the tax preparer directly with questions regarding the preparation of this return.

The undersigned declares that this return (and accompanying schedules) is a true, correct and complete return for the taxable period stated and that the figures used herein are the same as used for Federal Income Tax purposes.

Signature of Person Preparing Return

Date

Signature of Officer or Agent

Date

Name of Person Preparing Return

Phone Number

Name and Title

Phone Number

**CITY OF BLUE ASH
BUSINESS INCOME TAX RETURN INSTRUCTIONS**

Office Phone: (513) 745-8516
Fax: (513) 745-8651
Website: www.blueash.com
Email: blueashtax@blueash.com

Mail to: Blue Ash Income Tax Office
4343 Cooper Road
Blue Ash, Ohio 45242

Filing Due Date: April 15th or the 15th day of the 4th month following fiscal year end.

Extension Requests: Required to be received in writing by the original filing due date.

Subsequent Estimated Payments: Due by the last day of the month following each quarter of the taxable year.

This form is to be used by all entities, even if no tax is due, other than sole proprietorships and single member limited liability companies. Sole proprietors and single member limited liability companies should file on the Individual Income Tax Return.

General Instructions:

If you are filing for any year other than a calendar year, indicate the year of the tax return with beginning and ending dates. Fiscal year taxpayers should use the beginning year of the fiscal period as the year of the tax return.

1. If you received a pre-printed form containing incorrect information, make the necessary corrections to the form. If the form is not pre-printed, please enter the information in the spaces provided for name, address and EIN/FID number.
2. Complete the box that pertains to the filing of a city return in the previous year, the combined corporate return question and whether or not the account should be inactivated. If your account should be inactivated, provide an explanation. If this is a final return, give the reason why. If you sold the business, provide the name, address and phone number of the purchaser on a separate attachment.
3. Check the appropriate box that corresponds to the filing status of the business.
4. If you are amending a tax year, be sure to indicate the year that you are amending in the space provided. Include your amended federal return or documentation pertaining to the Internal Revenue Service audit.

Part A –TAX CALCULATION

LINE 1: Enter the Adjusted Federal Taxable Income (AFTI). As defined by Ohio Revised Code (ORC) 718.01 AFTI means a C corporation's federal taxable income before net operating losses and special deductions. Other business entities must compute the AFTI as if they were a C corporation. Generally this is the line titled "Income/(Loss) Reconciliation" on the Schedule K of the Form 1120S for subchapter S corporations or Line 1 page 4 of the Form 1065 Analysis of Net Income (Loss) for partnerships and limited liability companies.

LINE 2: Enter the total adjustments from Schedule X.

Schedule X – Reconciliation with the Federal Return

ADD – Items not Deductible and Included in Line 1

- A. Enter the amount included in Line 1 of the Business Tax Return related to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code. This would include the 1231 loss reported on Form 4797.
- B. Enter any taxes on or measured by net income included as a deduction in computing Line 1.
- C. Enter any guaranteed payments or similar payments made to partners, members or other owners that were deducted in arriving at the income amount on Line 1. This includes amounts related to self-employed retirement plans and health or life insurance for an owner or owner-employee.
- D. Enter 5% of the intangible income included in Line 1 of the Business tax return that is not directly related to the sale, exchange or other disposition of property described in Section 1221 or 1231 of the Internal Revenue Code.
- E. Add Real Estate Investment Trust distributions allowed as a deduction in the computation of Federal Taxable Income.
- F. Other. Please provide a complete explanation. Examples: losses from flow-thru entities, charitable contribution deducted above the 10% corporation limitation.
- G. Add Lines A through F.

DEDUCT – Items not Taxable and Included in Line 1

- H. Enter the amount of the income that is included on Line 1 of the Business Tax Return that is directly related to the sale, exchange, or other disposition of an asset described in Section 1221 or 1231 of the Internal Revenue Code less the income and gain included in this amount that is described in Section 1245 or 1250 of the Internal Revenue Code.
- I. Enter the total amount of intangible income included in Line 1 of the Business tax return that is not directly related to the sale, exchange or other disposition of property described in Section 1221 or 1231 of the Internal Revenue Code. Intangible income generally includes, but is not limited to interest, dividends, copyrights and patents.
- J. If Line 1 of the return includes other income exempt from municipal tax, enter on this line and provide an explanation.
- K. Add Lines H-J.
- L. Deduct Line K from Line G. Insert the net amount as an addition (or deduction) on Part A, Line 2.

LINE 3: Line 1 plus or minus Line 2.

LINE 4: Enter the apportionment percentage from Step 5 of Schedule Y. (ORC 718.02)

Schedule Y – Apportionment to Blue Ash

Step 1. Compute the percentage of the original average cost of the real and tangible personal property owned or used by the taxpayer in the City of Blue Ash during the taxable period to the original average cost of all of the real and tangible personal property owned or used by the taxpayer during the same period, wherever situated.

Real property shall include property rented or leased by the taxpayer. The value of such property shall be determined by multiplying the annual rental thereon by eight.

Step 2. Compute the percentage of total personal compensation paid during the period for services performed in the City of Blue Ash to total personal compensation paid during the same period for all business locations. Do not include amounts paid to contractors.

Step 3. Compute the percentage of the gross receipts of the business or profession from sales made and services performed in the City of Blue Ash during the taxable period to gross receipts of the business or profession during the same period from sales and services, wherever made or performed.

Step 4. Calculate the total of the percentages derived in Steps 1 through 3.

Step 5. Divide the total derived in Step 4 by the number of percentages used. Insert this percentage on Part A, Line 4 of the return.

LINE 5: Multiply Line 3 by Line 4.

LINE 6: Enter the amount of net operating losses apportioned to Blue Ash. Operating losses, from prior years, may be carried forward for a maximum period of five tax years. *An explanatory schedule is required to support any adjustments made on this line.*

LINE 7: Line 5 plus or minus Line 6.

LINE 8: Multiply Line 7 by 1.25% (.0125).

LINE 9a: Enter the amount of estimated tax payments including any amounts paid with an extension.

LINE 9b: Enter the amount of the overpayment from prior years credited to this year's tax return.

LINE 10: Line 9a plus Line 9b.

LINE 11: If Line 8 is greater than Line 10, enter the tax due. If this amount is less than \$1, payment is not required.

LINE 12: If Line 10 is greater than Line 8, enter the overpayment.

LINE 13: Enter the amount to be refunded. Amounts less than \$1 will not be refunded.

LINE 14: Enter the amount to be credited to next tax year's estimated tax liability.

Part B – DECLARATION OF ESTIMATED TAX

LINE 15: Enter the amount of estimated income for the next tax year.

LINE 16: Enter the total tax due for the next tax year.

LINE 17: Divide Line 16 by 4 to determine the amount of estimated tax for the first quarter.

LINE 18: Enter the amount of credits from Line 14.

LINE 19: Enter and remit the net estimated tax due if Line 17 minus Line 18 is greater than zero.

This is the first of four quarterly estimated tax payments. The second payment is due on the last day of the 7th month after the beginning of the year and is equal to the total estimated tax on Line 16 divided by 4 less any overpayment still available from prior years. Third payment is due on the 10th month after the beginning of the year and the final estimated payment is due on the last day of the month following the taxable year end.

LINE 20: Combine Line 11 and Line 19 to determine the total amount due.