

A. Date and Requirement for Filing

1. For tax years beginning prior to December 31, 2003, on or before April 30th of the year following the effective date of the ordinance and each year thereafter, every person subject to the provisions of Chapter 1705, paragraphs (a) to (e) inclusive, of the ordinance shall, except as hereinafter provided, make and file with the Director of the Department of Taxation, a return on a form prescribed by and obtainable upon request from the Director of the Department of Taxation, whether or not a tax be due. Generic forms may be substituted provided that they contain all of the information required by the City of Brook Park form in the sequence prescribed by the Brook Park form and are available through the website: www.cityofbrookpark.com. Beginning with tax years starting January 1, 2004 and thereafter, tax returns will be due on April 15th.

2. If the return is made for a fiscal year or any period less than a year, said return shall be made within four (4) months from the end of each fiscal year or other period, except that the return shall be due within three and one-half months from the end of the fiscal year or other period for returns beginning after January 1, 2004.

3. Every person subject to the provisions of Chapter 1705 of the ordinance shall, except as hereinafter provided, file a return setting forth the aggregate amount of salaries, wages, commissions and their personal service compensation, net profits from business or other activities, including the rental from use of real and personal property, and other income taxable under the ordinance including income from games of chance, lotteries, and prizes, awards and other compensation, received for the period covered by the return and such other pertinent facts and information in detail as the Director of the Department of Taxation may require.

4. Where a non-resident employee's entire earnings for the tax period are paid by an employer or employers and the two percent (2.0%) tax thereon has in such instance been withheld and deducted by the employer or employers from the gross amount of the entire earnings of such non-resident employee-taxpayer, and where the employer of such non-resident employee has filed a return or returns in which such employee's entire and only earnings are reported to the Tax Commissioner, and where such non-resident employee has no taxable income other than such earnings and the tax so withheld has been paid to the Director of the Department of Taxation. The Director of the Department of Taxation is hereby authorized to accept such report or returns provided by the employer, unless otherwise specified, as the return required of any such employee. Nothing in this sub-section should be construed as negating a resident taxpayer's obligation to file the return required as specified in Chapter 1711.

5. An employee who is permitted to deduct business expenses from gross wages, salaries, or commissions, and makes such deduction on his federal filing, must file a City of Brook Park return in order to claim such federally approved deductions, even though all or part of such wages, salaries, or commissions are subject to withholding. The City of Brook Park follows federal guidelines in allowing employee related deductions. Only expenses reported on a federal Form 2106 or 2106-EZ are allowable. 2106 and 2106-EZ expenses consisting solely of line four (4) expenses are not accepted unless they are claimed for:

- Performing-arts-related business expenses as a qualified performing artist,
- Expenses for performing a job as a fee-basis state or local government official, or
- Impairment-related work expenses as an individual with a disability

6. Any taxpayer who received taxable income not subject to withholding under the ordinance must file a return.

7. Any taxpayer is required to file only one complete return covering the taxable period whether the income is derived from wages or other compensation, net profits from a business, or any other source. If no income was earned the taxpayer should file an informational return stating such.

8. Trustees of active trusts are required to file returns and pay the tax on taxable income thereof.

9. Except as provided for herein, the taxes on the partnership or association as an entity whether resident or nonresident and a return is required disclosing the net profits allocable in the City of Brook Park and the tax paid thereon. However, any resident partner or resident member of the unincorporated entity is required to make a return and pay the tax in accordance with Article III B-3b.2 of these regulations.

10. A husband and wife may, in any tax year, elect to file separate or joint returns.

B. Information Required and Reconciliation with Federal Returns

1. In returns filed hereunder, there shall be set forth the aggregate amount of salaries, wages, bonuses, incentive payments, commissions, fees, and other compensation less reasonable allowable expenses incurred subject to the tax earned from each employer, taxable net profits and other pertinent information as the Director of the Department of Taxation may require.

2. Where figures of total income, total deductions, and net profits are included, as shown by a federal return, any items of income which are not subject to the City of Brook Park's tax and unallowable expenses shall be eliminated in determining net income subject to the City of Brook Park's tax. In the absence of records showing the actual unallowable expenses, such expenses shall be determined in accordance with Article III B-7c.1.07 of these regulations. The fact that any taxpayer is not required to file a federal tax return does not relieve him from filing the City of Brook Park tax return.

3. If a change in federal income tax liability, made by the Federal Internal Revenue Service, or by a judicial decision, results in an additional amount of tax payable to the City of Brook Park, a report of such change shall be filed by the taxpayer within three (3) months after receipt of the final notice from the Federal Internal Revenue Service or final Court decision; see Article XI.

4. If a change in federal income tax liability results in a reduction of taxes owed and paid to the City of Brook Park a claim for a refund shall be filed with the Director of the Department of Taxation as prescribed in Chapter 1711.05 of the ordinance and Article XI of these regulations.

C. Extensions

1. Upon receipt of a copy of the Federal Internal Revenue Service extension granted the taxpayer, the Director of the Department of Taxation may extend the time for filing such return for a period not to exceed the last day of the month following the month beyond any extension granted by the Federal Internal Revenue Service. Whenever he deems such necessary, the Director of the Department of Taxation may require a tentative return accompanied by payment of the estimated tax.

The taxpayer shall make the request by filing a copy of the taxpayer's request for a Federal filing extension. The request for extension shall be filed not later than the last day for filing the City income tax return as dictated by Chapter 1711.01. The Director of Taxation may deny the taxpayer's request for an extension if any of the following apply:

- a. the request is not made on a timely basis,
- b. the taxpayer fails to file a copy of the Federal request for extension, or
- c. owes the Department of Taxation any delinquent income tax or any penalty, interest, assessment, or other charge for the late payment or nonpayment of income tax, or
- d. has failed to file any required income tax return, report, or other related document for a prior tax period.

The Director of the Department of Taxation may, upon written request grant a business a "permanent" extension for up to six months beyond the normal due date for the Federal filing. The permanent extension may be revoked in any year by the Director of the Department of Taxation for failure to cooperate in any ongoing audit or for reasons stated above in subsections C.1.c and d.

Resident taxpayers may obtain a restricted extension extending the time for filing the tax return until August 15 by filing the special form furnished with the tax return or available from the Director of the Department of Taxation. Such request must comply with the conditions imposed by subsections C.1. a, c and d, above.

Extension requests not postmarked by the United States Postal Service on or prior to the due date_or, in the case of direct delivery, not received on or prior to the due date will be considered late. If the due date for the extension falls on a weekend or holiday the due date for the extension is automatically extended to the next business day.

The granting of an extension for filing the City income tax return does not extend the last day for paying the tax without penalty.

2. Information returns, schedules and statements needed to support tax returns are to be filed within the time limits set forth for filing the tax returns. Extensions for the filing of information returns as specified on Federal Form 8809, and within Section 1713.02 are restricted to not more than one month after the due date as prescribed within this Ordinance.

D. Payment With Return

1. The taxpayer making a return shall, at the time of the filing thereof, pay to the Director of the Department of Taxation the amount of taxes shown as due thereon: provided, however, that where any portion of the tax so due shall have been deducted at the source pursuant to the provisions of Chapter 1713.02 of the ordinance, or where any portion of said tax shall have been paid by the taxpayer pursuant to the provisions of Chapter 1713.03 of the ordinance, or where an income tax has been paid to another municipality, credit for the amount so paid in accordance with chapter 1719 hereof, shall be deducted from the amount shown to be due and only the balance, if any, shall be due and payable at the time of filing said return.

2. At the time of filing a taxpayer who had overpaid the amount of tax to which the City of Brook Park is entitled under the provisions of the ordinance will have such overpayment applied against any prior and/or subsequent liability hereunder or an existing liability and/or delinquency on any of the taxpayer's associated tax accounts or, finally, at his election indicated on the return, such overpayment (or part thereof) shall be refunded, provided that no single amount of less than five dollars (\$5.00) shall be collected or refunded. Upon an account's accumulative balance exceeding the five dollar (\$5.00) limitation, the total liability shall be collectable and the overpayment amount subject to refund, pursuant to statutory provisions. No refunds are allowable when there is an existing liability or delinquency on any of the taxpayer's associated accounts, or the taxpayer has failed to file any required tax return, report, or other documents for a prior tax period on any of the taxpayer's associated accounts.

E. Amended Returns

1. Where necessary an amended return must be filed in order to report additional income and pay any additional tax due, or claim a refund of tax overpaid, subject to the requirements and/or limitations contained in Chapters 1715 and 1717. Such amended return shall be on a form obtainable on request from the Director of the Department of Taxation. A taxpayer may not change the method of accounting or apportionment of the net profits after the due date for filing the original return.

2. Within three (3) months from the final determination of any federal tax liability affecting the taxpayer's Brook Park tax liability, such taxpayer shall make and file an amended Brook Park return showing income subject to Brook Park's tax based on such final determination of federal tax liability, and pay any additional tax shown due thereon or make claim for refund of any overpayment.