

**WHO MUST MAKE A DECLARATION:**

**A. If you are a resident of the Village of Hopedale and:**

1. You expect to receive earnings on which no withholdings are made;
2. You expect to receive gross rental income (regardless of the location of the property) in excess of \$250 per month (in determining gross monthly rental, periods during which rentals are not received are to be considered.)
3. You expect to receive a share of the profits from an unincorporated business and the unincorporated business has used the formula or separate accounting method provided for in the Ordinance.

**B. If you are a nonresident of the Village of Hopedale and:**

1. You expect to receive earnings from work done or services performed or rendered within the Village of Hopedale on which no withholdings are made;
2. You expect to receive gross rental income (from property situated within the Village of Hopedale) in excess of \$250 per month (in determining gross monthly rental, periods in which rentals are not received are to be considered.)
3. You expect to receive a share of the profits from an unincorporated business which is not filing separate estimates with the Village of Hopedale.

**C. If you are a resident unincorporated business, profession, enterprise or other activity and:**

1. You are operated by one owner, that owner is to file under A or B above,
2. You are operated by two or more owners, one or more of whom are nonresidents of the Village of Hopedale, then, an estimate is to be filed by this unincorporated business, etc. without regard to the formula or separate accounting method provided for in the Ordinance.

**D. If you are a nonresident unincorporated business, profession, enterprise or other activity and:**

1. You are operated by one owner, that owner is to file under A or B above
2. You are operated by two or more owners, all of whom are residents of the Village of Hopedale, then an estimate may be filed by this unincorporated business, etc. without regard to the formula or separate accounting method provided for in the Ordinance,
3. You are operated by two or more owners, one or more of whom are nonresidents of the Village of Hopedale, then an estimate is to be filed by this unincorporated business, etc. under the formula or separate accounting method provided for in the Ordinance.

**E. If you are a corporation and:**

1. You are conducting a business or other activity within the Village of Hopedale, an estimate is to be filed under the formula or separate accounting method provided for in the Ordinance.

**How to Figure Your Estimated Income Tax**

You must determine your expected earnings or net profits upon the basis of the facts and circumstances existing at the time prescribed. Use the worksheet provided as a guide for figuring your estimated income tax.

**Purpose of Declaration- Vouchers:** The Declaration Voucher is provided for your convenience for paying estimated tax on a quarterly basis (Line 4 of the worksheet)

**Where to file your declaration-Voucher:** You are to mail your Declaration-Voucher to the Village of Hopedale Income Tax Department PO Box 476 Hopedale, OH 43976

**Payment of Estimated Tax:** You may pay your estimated tax in full with the Declaration or in equal installments on or before **April 30, 2001 June 30, 2001 September 30, 2001 and December 31, 2001** Include your installments with a Declaration Voucher. Make checks payable to the Village of Hopedale Income Tax Department.

**Overpayment Credit:** If you overpaid your previous year income tax and elected to apply the overpayment to your present tax liability, that overpayment may be partially or fully applied to any installment. Be sure to enter the total overpayment credit in Block B of your original or amended Declaration Voucher. Also, enter the amount of overpayment credit applied to each installment on Line 2 of the Declaration-Voucher and in Column C of the Record of Estimated Tax Payments. If the credit equals or exceeds the estimated tax liability for the first installment, complete the Declaration Voucher even though the payment amount Line 3 is zero. File further Declaration Vouchers only when the amount of the unused credit is less than the amount of the next installment due.

**Amended Declaration:** Use the amended computation schedule if, after filing a Declaration, you find that your estimated tax is substantially increased or decreased. Show the amended estimated tax in Block A of the next Declaration Voucher that you file.

**Fiscal Year:** If your return will be filed on a fiscal year basis, change calendar year due dates to correspond with the last day of the fourth, sixth, ninth and twelfth months of your fiscal year.

**Penalty for Failure to Pay Estimated Income Tax:** No penalty shall be assessed when estimated tax paid through Declaration Vouchers is equal to or greater than 80% of the tax shown on the final return. A penalty of 1.5% per month or fraction thereof may be imposed by law for underpayment of estimated tax installments.

## **DEFINITIONS**

**Net Profits** means a net gain from the operation of a business, profession, enterprise or other activity after provision for all ordinary and necessary expenses either paid or accrued in accordance with the accounting system used by the taxpayer for federal income tax purposes without deduction of taxes based on income; and in the case of an association, without deduction of salaries paid to partners and other owners. Exceptions described in the rules and regulations shall not be considered taxable, and the expenses attributable to such non-taxable income shall not be considered deductible.

**Income Subject to Tax** means wages, salaries, bonuses and other compensation paid by an employer or employers before any deductions; fees and tips; profits from businesses, professions and partnerships; rental income; and employer supplemental unemployment benefits are examples of taxable income.

**Non-Taxable Income** means Interest, dividends, pensions, poor relief, state unemployment insurance benefits, proceeds of insurance, military pay allowance received by members of the Armed Forces of the United States of America, alimony received, and earnings of those under 18 years of age are examples of non-taxable income.

**Separate Accounting Method** means records maintained which disclose with reasonable accuracy what portion of net profits are attributable to activities conducted within the Village of Hopedale.

**Formula (Business Allocation Percentage Method)** means a ratio based on the percentage of property, payroll and sales. Those taxpayers required to use this formula should review the Rules and Regulations.