

What is the income tax rate for Village of Versailles?

One and one-half percent (**1.5%**). When preparing your Village of Versailles tax return, up to one and one-half percent (1.5%) tax credit on wages taxed by another municipality, will be allowed.

Who is required to file a Village of Versailles income tax return?

All residents of the Village of Versailles who are 18 years old or older are required to file a yearly return; this also includes partial year residents. Non-residents are required to file only when they have income earned within the Village of Versailles that is not fully withheld upon or have a business or rental property in Versailles. Returns are required with no regard for the amount of income received or losses incurred. Partnerships, corporations, and any other entity having income taxable by the Village.

If I was a partial year resident, do I have to file and pay tax on my income for the entire year?

No, Versailles permits prorating of income based on months of residency. To calculate how much of your income you will need to pay tax on, divide your income by 12 and then multiply the result by the number of months that you lived in Versailles last year. Any tax that was withheld from your wages is also prorated as above.

Are retired persons required to pay the tax?

Retirees are not required to pay tax on social security or on income from a qualified retirement plan. However, retirees are subject to the tax on any other type of earned income that they may have, such as wages, rentals, farm income, self-employment income, etc. If all of your income is from a non-taxable source (i.e., qualified pension, interest, dividends, etc.) you may contact the income tax department to register as retired with no filing requirement.

I live with and am supported by a family member/friend. Do I need to file?

Yes, if you are age 18 or older. Even though you do not work or you can be claimed as a dependent on someone else's federal tax return, your obligation to file a Versailles tax return is not terminated

I receive Social Security Disability. Do I need to file?

The Village requires an initial filing including a copy of your award letter stating when you became disabled. If you receive Supplemental Social Security, you are required to file yearly as this was meant as a short term situation.

When are my Village income taxes due?

File on or before April 15th, with the Versailles Tax Department, PO Box 288, Versailles, OH. Fiscal year taxpayers shall file on or before the 15th day of the fourth month following the close of their fiscal year. In the event the due date falls on a weekend or a legal U.S. holiday, the due date shall be extended until the end of the next business day.

Where do I obtain tax forms?

Forms will be mailed to taxpayers in January. Forms can also be downloaded via the internet from the Village website: <http://www.versaillesohio.cc>. PLEASE NOTE: If last year you

utilized the services of a CPA firm or other tax preparation provider you may not have a tax form mailed to you in January. Please contact the tax office if you would like a form mailed.

Where do I file my Village tax return?

A tax return is due on or before April 15th and can be dropped off at the Village of Versailles Office, 177 N Center St., between the hours of 8:00 A.M. to 4:30 P.M. Monday thru Friday or can be mailed to Tax Administrator, PO Box 288, Versailles, Ohio 45380-0288. There is also a night drop box located on the north side of the Village Office. If assistance is needed, please call 937-526-4191 Ext. 204.

Can I file my Versailles tax return electronically?

No; Versailles does not have the capability to accept forms filed electronically. It is up to you to file the paper return that you received or were given by your tax preparer.

Can I apply for an extension of time to file my return?

Any taxpayer that has duly requested an automatic six-month extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a municipal income tax return. An extension of time to file is not an extension of the time to pay any tax due unless the Tax Administrator grants an extension of that date.

I received information late. How do I add to my filing?

You may amend (change) a filing within three (3) years after the original was filed. Amended information may include, but not limited to, additional W-2's or an attachment of Business Expenses (Form 2106) or miscellaneous income.

Why is Local taxable income on my W-2 higher than Federal or State taxable income?

It is federal and state tax policy to give tax preference or to defer tax on some types of income. For example, to encourage people to save for retirement, income put into a pension plan is not taxed for federal or state purposes until it is received as a pension. Municipalities in Ohio, however, do tax that income when it is earned (set aside), but do not tax it when it is paid out in your retirement years.

Can I be assessed penalty, interest and late filing fees?

Penalty and interest charges are levied unless required payments are made when due. Late filing fees may be charged if a return is not filed by the appropriate due date, even if no tax or additional tax is owed.

I owe Versailles taxes but I am unable to pay my full liability at the time my return is due. Should I still file my return?

Yes, you should file your return by the due date whether or not you are able to pay the exact amount of tax that you owe. You will receive a bill for the unpaid taxes along with late payment charges that are due. You may then contact the Tax Department to arrange for payment of the charges shown on the bill. A pay plan form must also be completed and signed by the Taxpayer and this Office in order for the **Payment Plan Agreement** to be established. With this agreement, you will also be required to

continue payments toward any estimated taxes due for the following tax year. **This pay plan is set at the discretion of the Tax Administrator, under special circumstances only and will not be offered yearly.

What happens if I don't file or pay my taxes?

This office makes every attempt to contact delinquent taxpayers with information supplied to this office. We send at least two (2) notices requesting filing or payment. Failure to respond or comply can result in court action. Any case filed through the court are subject to additional court costs.

My child is working part-time while at college. Are they required to file and/or pay Versailles income tax?

Yes, so long as their official residence is in Versailles. If they officially change their residency to the city in which they are attending college, and are not claimed by their parents as a dependent, they will not have to pay Versailles income tax. However, they will be required to submit a copy of any filing made to another municipality as proof of residency.

Does Versailles allow credit for taxes paid to another municipality?

Yes, Versailles allows **up to** 1.5% (one and one-half percent) credit for wages taxed by another municipality. *Please note this credit is for Ohio municipal tax only, not for taxes paid to other county or school districts.

EXAMPLE 1: Troy municipal wages of \$12,000 taxed and withheld @ 1.75% = \$210. Credit allowable is 1.5% of wages or \$180. Only \$180 is allowed as a credit.

EXAMPLE 2: Bradford municipal wages of \$12,000 taxed and withheld @ 1.00% = \$120. Approximate balance due the Village of Versailles would be \$60. ($\$12,000 \times \text{Versailles tax rate of } 1.5\% = \180 less 1% credit $\$120 = \60)

Are you allowed to use 2106 business expenses against your income?

Yes, you can use Federal Form 2106 business expenses (reduced by 2% of the AGI) against your associated W-2 income. However, if your withholding was paid to a city other than Versailles, or to various cities, the refund request will have to be made to that city(ies) and the 2106 will be divided among those cities paid.

Are Schedules losses allowed to be used against W-2 income?

No. Schedule losses cannot be used against W-2 income.

Who must file a declaration of estimated tax?

As of January 1, 2016, every taxpayer who anticipates taxable income not subject to 1.5% withholding and a tax due will be at least \$200.00 or more should file and pay quarterly estimated payments. Quarterly estimates are due on April 15, June 15, September 15, and December 15th.