



**City of Sidney
Income Tax Amnesty FAQ's
1/12/10-5/31/10**

City of Sidney
Revenue Collections – Tax
201 W. Poplar St.
Sidney, OH 45365
(937) 498-8111 (phone)
(937) 498-8149 (fax)
Email - tax@sidneyoh.com
Website - www.sidneyoh.com

What is tax amnesty? Why should I take advantage of amnesty?

Income tax amnesty is a new *one-time* opportunity for individuals and businesses to file and pay income taxes for tax years 2008 and prior without penalty and interest. In doing so, you avoid the possibility of court proceedings. This chance to “catch up” includes both taxes due on returns that have *not* been previously filed and taxes due on returns previously filed but not paid.

When is tax amnesty?

The City of Sidney's income tax amnesty program is being offered from January 12, 2010 through May 31, 2010.

Who should take advantage of Tax Amnesty?

While not all inclusive, you should take advantage of Tax Amnesty if any of the following applies to you within the past six years AND you did not file a Sidney tax return for that time period:

- ✓ You were a Sidney resident & earned compensation outside of Sidney that was not subject to taxation by another municipality *or* you earned compensation in a municipality with a municipal income tax rate of less than 1.5%;
- ✓ You were a Sidney resident and have been self employed (filing a Schedule C on your Federal tax return) or received a Form 1099;
- ✓ You were not a resident of Sidney but had self-employment income earned in Sidney;
- ✓ You owned rental property in Sidney, regardless of residency;
- ✓ You had any similar type of situation where your Sidney taxable income was not fully withheld on & you have a tax balance due to Sidney. (See below for common examples of taxable and non-taxable income to Sidney.)

If you filed prior tax returns with the City of Sidney and owe for back Sidney taxes, you should take advantage of Tax Amnesty.

Please note: If you need help determining if you should take advantage of Tax Amnesty, please call (937) 498-8111 or contact our Revenue Collections office in City Hall.

What if I don't take advantage of tax amnesty?

The City of Sidney Revenue Collections office will be increasing its efforts to locate and prosecute delinquent taxpayers by utilizing State of Ohio Department of Taxation records and other public information databases. We are also investigating a new program with the Central Collection Agency (CCA) which would lead to matching IRS records. After the income tax amnesty period has ended, any taxpayers who did not file and/or pay the proper city income tax will be prosecuted to the fullest extent of the Sidney Income Tax Ordinance and be held responsible for all penalties and interest levied against any outstanding tax balance(s).

I currently have a payment plan. Am I able to take advantage of the amnesty program?

Yes. If you pay your remaining tax balance before May 31, 2010, any remaining unpaid penalty and interest would be forgiven.

This information is presented based upon commonly asked questions and the answers are provided based upon a generic set of circumstances. Your situation may be different. These answers are not intended to substitute for the advice of a professional tax preparer or for reviewing your tax situation with Sidney's income tax staff.



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How do I take advantage of tax amnesty? How do I know how much I owe?

To determine your tax liability, you will need to complete your tax returns.

If you have already filed your tax returns, you can refer to your most recent correspondence from our office or you may call (937) 498-8111 for your tax amount currently due.

Tax forms can be obtained on our website at www.sidneyoh.com. Please keep in mind that, when filing, a tax return is not considered “complete” until our office receives all of the proper paperwork.

We will gladly help you prepare your return(s) for you, and THERE IS NO CHARGE FOR THIS SERVICE. Simply bring in your tax records (e.g. Federal 1040, all W-2's, 1099-Misc, and other Federal schedules) to our office. Please note that if you come to our office during the first half of April or the last half of May, there may be long lines or an extended waiting time due to the large volume of customers that we are assisting. Planning your visit around those dates may help alleviate the waiting time.

Who must pay Sidney income taxes?

Individuals who live in the City of Sidney, all individuals who work within the City of Sidney (regardless of where they live), and all businesses that operate in the City of Sidney (including partnerships, S-Corporations and sole proprietorships) must pay Sidney income taxes.

What is the City of Sidney's tax rate?

Sidney's tax rate is 1.5%.

Do I receive credit for taxes paid to other cities?

Residents receive full credit, up to 1.5%, for taxes paid to other cities.

What types of income are taxable to the City of Sidney?

Taxable income to the City of Sidney includes, but is not limited to, salaries, wages, commissions and other compensation, bonuses, tips, stock options, incentive payments, directors' fees, property in lieu of cash, tips, dismissal or severance pay, vacation and sick pay, wage continuation plans, employer supplemental unemployment benefits (SUB pay), state or multi-state lottery winnings, employee contributions to retirement plans & tax deferred annuity plans (including sec. 401k, 403b, 457b, etc.), profit sharing, jury duty, union steward fees, and executor fees.

What types of income are NOT taxable to the City of Sidney?

Non-taxable income to the City includes, but is not limited to interest, dividends, capital gains, unemployment compensation, workers' compensation, ADC, child support, retirement pensions, social security benefits, alimony, annuities, active military duty pay, and earnings for individuals under the age of 16.

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Which document(s) are needed in order to make by individual tax returns(s) “complete”?

In order to properly and accurately process your tax return for any given year, copies of the following must be submitted to our office:

- Any and all W-2 and/or 1099-MISC forms
- Any and all applicable schedules (A with Form 2106, C, E, K-1)
- The front page (page one) of your Federal Form 1040

For part-year residents, copies of additional documentation in the form of state tax returns, leases or rental agreements substantiating move-in or move-out dates, pay stubs establishing income earned while a resident of Sidney, and/or other city municipal tax returns may be necessary to complete your return.

What are your office hours?

Our office is currently open from 8:00 am until 5:00 pm, Monday through Friday.

What if I can't pay my taxes in full?

The City of Sidney offers a 6-month payment plan. During the amnesty period, no interest will accrue on these plans. After June 1, 2010, interest at the rate of 1.5% per month will be applied to your outstanding balance. Any balance remaining at the end of 6 months will be subject to all penalties and interest calculated from the original due date of the tax return.

I am a Sidney resident. I only have wage income and my employer has withheld 1.5% for Sidney Income Taxes. Do I need to file a return for tax years 2008 and prior?

No. However, you will need to file a tax return for tax year 2009, due April 15, 2010. This is because effective for tax years 2009 and beyond Sidney is a “mandatory filing city”. For more information about mandatory filing, please see our website at www.sidneyoh.com or email tax@sidneyoh.com.

I am a Sidney resident. I have been permanently retired or disabled for at least the past six years. Do I need to file a return for tax years 2008 and prior?

No. However, you will need to complete a one-time Exemption Form (attach a copy of Federal Form 1040, if applicable). This is being done so we can remove you from our database. (This form is available at our office or on-line at our website – www.sidneyoh.com)

Effective for tax years 2009 and beyond Sidney is a “mandatory filing city”. However, we are permitting a special exemption for those who are permanently retired or disabled, as long as you complete the Exemption Form. For more information, please see our website at www.sidneyoh.com or email tax@sidneyoh.com.

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