

## Changes in filing requirements for 2004.

As a result of the passage of the Income Tax Ordinance by City Council on September 8, 2004, there will be some changes for the 2004 filing requirements.

1. Gambling income over \$10,000 is taxable.
2. If balance of tax due is \$5.00 or under, no payment is required. No refund or credit will be allowed for \$5.00 or under.
3. No loss on any schedule may be deducted from W-2 income. A loss on one Schedule may be deducted from any other Schedule income.
4. All residents of the City of Washington Court House over the age of 18, with taxable income (wages, salaries, commissions, gambling income over \$10,000, or the net profits of a business, profession or other enterprise or activity adjusted in accordance with the provisions of the ordinance) must file a city income tax return by the due date of the return, April 30th.
5. All taxpayers who live outside the city limits of the City of Washington and whose total

income is derived from wages, which are totally withheld correctly by their employer will not be required to complete a city income tax return.

6. If a non resident taxpayer has income (Schedule C, E, (etc) which does not have taxes withheld, then total income must be reported on the tax return, including W-2 income which has taxes withheld and claim such tax withheld.

#### PENALTIES:

**TAX RETURN:** For failure to pay taxes due, other than taxes withheld: 1% per month or fraction thereof or \$25.00, whichever is greater.

**AN EXTENSION REQUEST IS NOT AN EXTENSION OF TIME TO PAY TAXES DUE. ALL TAX PAYMENTS ARE DUE BY APRIL 30<sup>TH</sup> OR FOUR MONTHS AFTER THE END OF THE TAX (OR FISCAL) YEAR.**

**Failure to file tax return timely:**

1. Complete tax return, whether or not a tax be due thereon, is filed not more than 30 dates late, penalty shall be \$50.00
2. Complete tax return, whether or not a tax be due thereon, is filed more than 30 but not more than 180 days late, penalty shall be \$100.00.

3. Complete tax return, whether or not a tax be due thereon, is filed more than 180 days late, penalty shall be \$150.00.

WITHHOLDING: For failure to remit taxes withheld: 5% per month or fraction thereof or \$50.00, whichever is greater.