

# Village of Osgood Income Tax Regulations

## Who must file a return?

The Village of Osgood requires **mandatory** for all residents, age 18 or over regardless of income. Any person or business located outside of Osgood and performing services inside the Village of Osgood must file a return. Anyone who receives income from rental properties, partnerships, self-employed business ventures, etc., must file an annual return regardless of any tax due.

## Return Requirements:

- **1040 – Page 1 & 2**
- **Return MUST be signed**
- **Federal Schedule 1**
- **All W2s**
- **1099s, federal schedules**

**Tax Rate:** 1.0% of the Medicare wage base

**Retired Individuals:** Social Security and other forms of retirement and permanent disability incomes are not taxable. However, retired and disabled persons with other sources of income must file and pay tax on those other sources of income.

Residents who are 60 years and older may qualify for an exemption of the mandatory filing requirement. Exemption form is required.

**Income that is not taxable:** State unemployment benefits, interest and dividends, third party sick pay.

## Taxable Income:

- wages
- self-employment
- farm income
- rental property
- partnerships
- certain trusts
- baby sitting
- subcontract work
- non-employee compensation
- benefits such cars or housing provided by the employer
- stock incentive plans
- proceeds from gambling and other prizes
- certain royalties, etc.

Deferred compensation plans are not allowed as a reduction to income. Federal Form 2106 expenses are allowed in accordance with Federal guidelines.

**Losses:** Losses resulting from businesses and rentals can be used to off-set taxable income **excluding W2 income**. Losses can be carried forward for five years.

**Part-year Residents:** You will only be taxed on the income received after the date that you moved to Osgood. When filing your first return it will be necessary to attach both your W-2 and a year to date pay statement (provided by your employer), as of the beginning date of your residency.

**Credit:** Credit will be given for taxes paid to another city up to 1.0% on those wages that taxes were paid to another city.

**Extensions:** Extensions are granted for the filing of tax information when a Federal Extension has been granted. A copy of the Federal Extension is recommended to be attached when filing your local return. 100% of the prior year's liability or 90% of the current year's tax liability must be paid by the original due date of the tax return. Payments in excess of 10% of the tax liability received after the Federal Due Date will result in penalty charges being assessed. All payments made after the Federal Due Date will incur interest charges.

**Payments and Refunds:** Payments of \$10.01 or more are due and payable by the Federal Due Date of each year. Refunds will not be issued for \$10.00 or less.

**Due Date:** The filing deadline will follow the Federal Due Date. Returns postmarked after the Federal Due Date will be assessed penalty and interest. **Penalty is 15% of the tax due, interest is 0.50% per month and a late filing fee of \$25.00 per month up to \$150.00.**

**Assistance:** Any questions can be directed to our office. Our hours are 8:00 a.m. - 4:00 p.m., Monday through Friday. We are located at 106 E Spring St. in St. Marys, Ohio and our phone number is (419) 394-3303 ext. 3198.