



# **Personal & School District Income Tax**



**Deborah D Smith, Administrator**

# New Administration

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## Tax Commissioner

- Joe Testa

## Deputy Tax Commissioners

- Matt Chafin, Chief Legal Counsel
- Fred Church, Tax Policy & Budget
- Stan Dixon, Real Property Tax & Chief Ethics Officer
- Marj Kruse, Compliance & Audit

# Stay Informed!

## ■ Ohio Tax Alerts

Ohio Tax Alert



To keep tax professionals, business owners and accountants informed of the latest tax laws, the Department of Taxation maintains an e-mail alert system. To receive e-mail updates on tax to your e-mail address below and click the Continue button.

**Please note** that the **Subscriber Name** field requires two names (i.e. John Smith) or remain blank.

titles.

Subscriber  
Name:

Email  
Address  
(required):

# Choose Your Tax Alert Topics

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To subscribe, simply select the OHTAX-Alert to

To discontinue receiving notices on any or all tax topics, click on the link to unsubscribe from and then select **Unsubscribe**

**Select All Groups**

Commercial Activity Tax (CAT)

Corporation Franchise Tax

Employer Withholding Tax

Estate Tax

Excise Taxes

➔ Motor Fuel (including IFTA)

➔ Tobacco (including MSA)

➔ Other (miscellaneous excise taxes)

Individual Income Taxes (including trusts, district)

Pass-Through Entity Tax

# Ohio Tax Alert – PTE

August, 2011

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**Issue:** When a PTE makes election to file Ohio composite return, IT 4708, on behalf of non-resident investors & the individual non-resident investor's sole source of Ohio income is from a PTE... does Ohio Revised Code (R.C.) 5747.08(J) allow the individual non-resident investor to file an Ohio IT 1040 & take the refundable PTE credit for taxes already paid by the entity on behalf of the investor?

# Ohio Tax Alert – PTE (cont'd)

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**ODT Position:** If non-resident individual investor **has** Ohio-sourced income/loss other than that earned through the PTE & is **required** to file an Ohio IT 1040, individual non-resident investor **is** entitled to a refundable credit on the IT 1040 equal to the investor's proportionate share of the tax paid by the PTE on behalf of the investor & will be allowed a credit for the taxes paid per R.C. 5747.08(J)

- Credit prevents double taxation of the non-resident individual investor's income
- The entity's composite election, once made, is binding & irrevocable for the taxable year for which the election is made pursuant to R.C. 5747.08(D)(3).

# Ohio Tax Alert – PTE (cont'd)

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- However, if non-resident individual investor included in composite return has **no** Ohio-sourced income/loss other than that earned through the PTE, individual cannot file IT 1040 and is **not** entitled to the refundable PTE credit pursuant to R.C. 5747.08(J).
- Applied prospectively beginning with returns filed for tax year 2011
- Questions? Call Pass-Through Entity Tax at (614)387-0234.

# NEW: 179/168 & NOL's

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## Issue:

If the Ohio 1/5<sup>th</sup> depreciation deduction is precluded from being taken in a certain tax year under R.C. 5747.01(A)(21)(c), can it be preserved and taken in a future tax year during which a federal and Ohio net operating profit exists?

## *NEW: 179/168 & NOL's*

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A taxpayer who has properly made a 5/6<sup>th</sup> depreciation add back under R.C. 5747.01(A)(20) and who is precluded from taking a corresponding 1/5<sup>th</sup> deduction pursuant to R.C. 5747.01(A)(21)(c), may instead fully utilize this deduction in the earliest occurring future tax year during which the deduction does not result in or increase a federal net operating loss.

## *NEW: 179/168 & NOL's*

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- If multiple 1/5<sup>th</sup> deductions not taken, taxpayer may utilize the aggregate of foregone deductions in earliest future tax year during which deductions do not result in or increase a federal net operating loss.
- This determination will be applied prospectively to all income tax filers beginning with tax year 2011.
- Taxpayers may no file amended returns to claim adjustment for tax years prior to 2011.

# *NEW: 179/168 & NOL's*

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Questions on this Alert, please call...

Individual Income Tax section  
(800) 282-1780

# Personal Income/School District Filing Stats

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## *Returns Processed as of 12/31/11*

	<u># of Returns</u>	<u>% Electronic</u>
PIT	5,301,124	78%
SD	753,631	77%

# Personal Income/School District

*Suspicious Filings through 12/31/2011*

<u>#Returns</u>	<u>Total Refunds Requested</u>	<u>Average Refund Requested</u>
6,626	\$6,658,061	\$1,004

# Tax Table Indexing

## 5747.02 A (5)

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### **Information Release 8/2/2010; excerpt**

- Indexing is designed to prevent “bracket creep” – the tendency for individuals’ incomes to creep into a higher tax bracket because of nominal increases in income, even when the real value of that income has not increased.
- Adjustment of tax brackets for inflation will benefit the vast majority of taxpayers, regardless of how their income has changed, he said.
- 1<sup>st</sup> yr Indexing factor was .9%
- Indexed July 30, 2011 – 1.2%

<b>2010 Tax Table</b>			
<b>Low Income Amount</b>	<b>High Income Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Amount</b>
0.00	5,050	0.00	0.006180
5,050	10,100	31.21	0.012360
10,100	15,150	93.63	0.024730
15,150	20,200	218.52	0.030910
20,200	40,350	374.62	0.037080
40,350	80,700	1,121.78	0.043270
80,700	100,900	2,867.72	0.049450
100,900	201,800	3,866.61	0.057410
201,800	9,999,999	9,659.28	0.062400

<b>2011 Tax Table</b>			
<b>Low Income Amount</b>	<b>High Income Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Amount</b>
0.00	5,100	0.00	0.005870
5,100	10,200	29.94	0.011740
10,200	15,350	89.81	0.023480
15,350	20,450	210.73	0.029350
20,450	40,850	360.42	0.035210
40,850	81,650	1,078.70	0.041090
81,650	102,100	2,755.17	0.046950
102,100	204,200	3,715.30	0.054510
204,200	9,999,999	9,280.77	0.059250

# Budget News

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- ODT budget reduced 18.2% (GRF)/  
9.2% (all funds)
- Reduced staff by 12%
- Closed 7 Taxpayer Service Centers in June, 2011 for reasons of economy

# Service Center Closings

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- More taxpayers filing on-line/less demand for in-person assistance
- Expanding use of centralized, call center assistance
  - Tax Practitioner line 614-728-1055
- Shifting to telecommuting business model for auditors & enforcement agents

# PIT/SD Updates

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- Tax booklets/Mailings – \$1.2 mil savings
  - Consolidation – 1040, School District, Telefile
  - No mailing of booklets
  - Flat stock forms in Banks, Post Office, Library
    - forms not in booklet
- eForms discontinued
- eMailer postcard for prior year eForm/paper filers (when form came from booklet)

# PIT/SD Updates

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- 2011 tax filing due date April 17, 2012
- Personal exemption - \$1,650
- Medical Savings Contribution max. \$4,279
- Low Income Credit - \$88
- Interest Rate is 3%

# New Districts

<b>SD#</b>	<b>Earned Income</b>	<b>Rate</b>	<b>Effective Rate</b>
2301	Amanda-Clearcreek LSD (Fairfield)	1.5	1.5
3907	Willard CSD (Crawford, Huron)	0.75	0.75
5504	Miami East LSD	1.75	1.75

# Renewals

<b><u>SD#</u></b>	<b><u>School District Name</u></b>	<b><u>Current Rate</u></b>	<b><u>Recently Passed Rate</u></b>	<b><u>New Rate</u></b>
601	Minster LSD (Auglaize, Dake, Mercer, Shelby)	0.5	1	<b>1</b>
606	Waynesfield-Goshen LSD (Allen, Auglaize, Logan)	1	1	<b>1</b>
1102	Mechanicsburg EVSD (Champaign, Madison)	1.5	1	<b>1.5</b>
2906	Xenia Community CSD (Greene, Warren)	0.5	0.5	<b>0.5</b>
3901	Bellevue CSD (Erie, Hurron, Sandusky, Seneca)	0.5	0.5	<b>0.5</b>
4507	Newark CSD (Licking) Starts 1/1/13	1	1	<b>1</b>
4902	Jonathan Alder LSD (Franklin, Madison, Union)	0.75	0.75	<b>0.75</b>
5708	New Lebanon LSD (Montgomery)	1.25	0.5	<b>1.25</b>
5713	Valley View LSD (Montgomery, Preble)	1.25	0.5	<b>1.25</b>
8702	Eastwood LSD (Wood)	1	1	<b>1</b>
1404	Wilmington CSD	1	1	<b>1</b>
6805	Twin Valley Community LSD	0.75	0.75	<b>0.75</b>

# School District Updates

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- Earned Income - reduced erroneous Delinquency notices
  - Match income sources – primary & spouse
- Updating processing of Traditional vs Earned Income
  - Match withholding percentage to Ohio Taxable Income vs Wages
  - Increase in W-2 requests/letters/reduced refunds
    - 30,000+ notices

# Voluntary Disclosure Agreements

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- Eligible for the program if he/she enters into and executes an agreement prior to any contact from the Income Tax Division
- Must file current & 3 previous yrs returns
- Waive right to previous yr refunds, but not current
- ODT cannot Assess/Audit yrs prior to agreement
- ODT may audit yrs in agreement

Contact:

Christie Harris

614-466-1073

# New: Self-Help Library



Individuals: Cut through the red tape! File your state or school district income tax return electronically and receive your refund within days.



Need one page with everything you need to know about filing your taxes? Filing Season Central offers information and links to help the season go more smoothly.



The Self Help Library contains instructional videos and interactive notices which include links to information for better understanding your tax notice.

# Self-Help Library (cont'd)

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- Understanding Billing Notices
- Instruction Video Presentation
- Interactive notices
  - Links to FAQ's
  - ORC
  - Payment Options

# Event Speaker Request Process Change

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The ODT modified it's policy on speaker requests effective May 2, 2011. All requests must be completed on our new form.

You can access this process and form via;  
[http://tax.ohio.gov/channels/global/contact\\_us.stm](http://tax.ohio.gov/channels/global/contact_us.stm)

Select the Speaker Request form. Complete the form and send to Diana McGowan. Her address is;

4485 Northland Ridge Blvd.

Columbus, Ohio 43229

Fax; 614-466-3093

[Diana\\_McGowan@tax.state.oh.us](mailto:Diana_McGowan@tax.state.oh.us)

# **SPEAKING ENGAGEMENT FORM**

**NAME OF ORGANIZATION REQUESTING SPEAKER:**

**NAME & CONTACT INFO FOR REQUESTER:**

**DATE REQUEST RECEIVED: (via phone call or e-mail)**

**DATE AND TIME REQUESTED TO SPEAK:**

**LOCATION:**

This form must be completed in its entirety.

**TOPIC:**

**TIME LIMIT:**

**NUMBER OF ATTENDEES (25 OR MORE):**

**NAME(S) OF POTENTIAL SPEAKERS:**

# New Legislation - Amnesty

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## **HB153 – Budget Bill**

- Requires the Tax Commissioner to administer a tax amnesty program from May 1 to June 15, 2012
- Includes the following taxes:
  - Personal & School district income taxes, sales and use tax, estate tax, motor fuel, cigarette, and corporate franchise tax, tangible personal property tax, county and transit authority sales tax, dealers in intangibles

# General Amnesty

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- Applies to state-collected taxes due & payable up to May 1, 2011
- Pay tax & half of interest due; other half waived
- May need to file returns, Amended returns or reports
- Payment in full during Amnesty – no payment plan
- Not subject to criminal/civil action
- Not available on taxes billed, assessed, or under audit for that period

# Consumer Use Tax Amnesty

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- Separate Amnesty program for Consumer Use tax from Oct. 1, 2011 to May 1, 2013.
- Taxpayer may apply for a payment plan of up to 7 years (minimum due is \$1,000\*\*)
- Failure to follow plan will result in certification of unpaid tax to OH Atty. Gen.
- Taxpayer must register and file for appropriate sales and use tax accounts

# Consumer Use Tax Amnesty

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Details on application for amnesty,  
payment plan and program rules

**@ [tax.ohio.gov](http://tax.ohio.gov)**

or call

**1-800-304-3211**

# New Legislation

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## **HB 153 – Budget Bill (cont'd)**

- Allow taxpayers to contribute portion of their income tax refunds to the Ohio Historical Society
  - Amends R.C. 5747.113
  
- Eliminates the requirement that the Department of Taxation include mail-in voter registration materials with income tax return
  - Amends R.C. 5703.05

# New Legislation

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## **HB 153 – Budget Bill (cont'd)**

### Repeal of Estate Tax

- FY10 revenues \$285M: 80% local; 20% state
- No tax on estates with date of death
- on or after January 1, 2013
- No fiscal impact until FY14

# New Legislation

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## **HB153 – Budget Bill (cont'd)**

- Credit for eligible investor making a qualifying investment in small business
  - the investor may apply to the Ohio Department of Development for a certificate to claim the credit
- Nonrefundable credit is outlined in section 5747.81 of the Ohio Revised Code.

# Small Business Investment Credit (cont'd)

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- Credit is equal to 10% of the investment amount
- Maximum amount an individual may invest is \$10 million dollars
- Credit is capped at \$1 million dollars

# Small Business Investment Credit (cont'd)

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- There is a 2-year holding period before an eligible investor can take the credit.
- The eligible investor can make a qualifying investment in a small business on or after July 1, 2011; and
- Pledge to not dispose of the investment before the end of the holding period.

# Small Business Investment Credit (cont'd)

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- Credit can be claimed beginning with 2013 income tax return
- Any unused portion of the credit may be carried forward seven (7) succeeding taxable years
- Owners of pass-through entities that hold certificate issued by Ohio Department of Development may claim credit based on ownership interest

# New Legislation

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## **HB 167 - Pell Grant Deduction**

- Authorizes an income tax deduction for the otherwise taxable portion of a federal Pell grant or Ohio College Opportunity grant used to pay room and board for a post-secondary student.
- Both Grants are treated as scholarships for purposes of determining taxability at the federal level.
- For scholarships to be exempt from federal tax, they must be used to pay qualified education expenses such as tuition.

# Pell Grant Deduction Calculation

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- Any portion of scholarship used to pay expenses that are not qualified education expenses is taxable and included in FAGI.
- If grant is used to pay both qualified and non-qualified education expenses, a portion of grant is tax-free and a portion is taxable for federal purposes.
- Room and board expenses are taxable non-qualified education expenses.
- Emergency clause to make it effective for the 2011 Tax Year filing (in 2012)

# ODT Military Updates

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- Discontinued Military Affidavit of Non-Ohio Residency/Domicile: IT DA-M
- Updated IT-10 (paper form)
  - added fields for Spouse information
  - added reason for Non-resident Spouse
  - improved Delinquency billing program
- Information Release 2008-02 Military Taxpayer Guide to Taxable Income & Deductions
- email: [military-info@tax.state.oh.us](mailto:military-info@tax.state.oh.us) – 650

# Information Release IT2010-01: *DRAFT*

## Nonstatutory Stock Option

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- Department revisiting how Stock options are taxed once Exercised
  - Potentially based on “Vest” date & Residency on that date
  - OR
  - Days worked approach from “Grant” to “Exercise” date
- IRS requires taxpayer to recognize income at “Exercise” date

# PIT/SD Updates

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On-line Tax Experience – Phase-in over 2-3 yrs

## View

- 1099G
- Account information
  - Billings & Assessments

## Updates by Taxpayer

- Address
- Email address for future “preferred” contact
- Request Account transcript
- Name update

# Email Pilot Program

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## Effort to Reduce Delinquency Notices

- 9,500 PIT & 6,000 SD taxpayers
  - 6,700 PIT & 4,500 SD supplied email address
  - began Ifile return, did not submit
- ODT sent notification via email to taxpayers
  - No confidential information in email
- Increased filings
- Message on front page of ODT webpage

# I-File - 1099G/INT

**BEFORE YOU START:** At the beginning of each tax season, you must select the "Register Now" button and complete the required information to use Ohio's electronic filing and payment options. You only need to successfully register one time each calendar year. You must complete all required fields to register successfully.

Note: an asterisk \* indicates required fields.

Did you already register for this tax season? If yes, please enter your login information to the right:

\* SSN

\* Password

Login

Forgot your Password?

Forgot Password

Haven't registered yet?

Register Now

# I-File - 1099G/INT

\* **Social Security Number (SSN)**

Please enter SSN with no blank spaces and no '-' Eg:

\* **Confirm Social Security Number (SSN)**

\* **Last Name**

\* **Date of Birth**

-- ▾ / -- ▾ /  (mm/dd/yyyy)

\* **New Password**

Passwords must comprise of both alphabetic and num

\* **Confirm New Password**

\* **Mother's Maiden Name**

**Email Address**

**Phone Number**

 -  - 

**Register**

# I-File - 1099G/INT

You are logged in as  
POLITE LI  
XXX-XX-5035

[log out](#)

Welcome to the Ohio Department of Taxation's secure area for Online Services.

It's **Fast, Free**, and **Secure**.

Please select an Online Services application

[Ohio IT 1040 I-File](#)

**Ohio IT 1040 I-File** is the Ohio Department of Taxation's online service to file your Ohio Individual Income Tax Return, Form IT 1040, starting with tax year 2007. You may wish to read the **introduction to Ohio IT 1040 I-File** before you begin.

[Ohio SD 100 I-File](#)

**Ohio SD 100 I-File** is the Ohio Department of Taxation's online service to file your Ohio Individual School District Income Tax Return, Form SD 100, starting with tax year 2007. You may wish to read the **introduction to Ohio SD 100 I-File** before you begin.

[View My 1099s](#) 

**View My 1099s** is a service allowing you to view and print 1099 forms from the state of Ohio. These represent any refunds, offsets, or credit-carry-forwards applied to you.

# I-File - 1099G/INT



Online Services: Income Taxes » View My 1099s

You are logged in as  
JOHN A. DOE  
XXX-XX-5956

[log out](#)

## 1099s Available for Viewing

1099 forms from the State of Ohio generated in the last 5 years have been made available on-line for your viewing and printing needs. These represent any refunds, offsets, or credit carry forwards applied to you.

2010 1099-G original issued on 01/13/2011 for refund for tax year 2009  
2010 1099-INT original issued on 01/13/2011 for refund for tax year 2008  
2008 1099-G corrected issued on 05/11/2009 for refund for tax year 2007  
2008 1099-G original issued on 10/02/2008 for refund for tax year 2007  
2007 1099-G original issued on 10/02/2008 for refund for tax year 2007

# I-File - 1099G/INT

**THIS IS NOT A BILL OR A NOTICE OF REFUND.**

Form 1099 G

CORRECTED (if checked)

<b>PAYER'S name, address, ZIP code and federal identifying number:</b>  State of Ohio Department of Taxation P.O. Box 2476 Columbus, OH 43216-2476 FEDERAL ID #31-6402047	OMB No. 1545-0120  <b>2010</b>  Statement for Recipients of	<b>Certain Government Payments</b>	<b>COPY B – FOR RECIPIENT</b> This is important tax information and is being furnished to the Internal Revenue Service. If You are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
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**RECIPIENT'S name, address, ZIP code and federal identifying number:**

JOHN A. & JANE R. DOE  
 4485 NORTHLAND RIDGE BLVD  
 COLUMBUS, OH 43229

**THIS IS AN INFORMATION ONLY STATEMENT. THIS IS NOT A BILL OR NOTICE OF REFUND.**

RECIPIENT'S identifying number <b>XXX-XX-5956</b>	#1 - Refund is for tax year: <b>2009</b>	#2 - State or local income tax refunds: <b>\$217.00</b>	Total Reported to IRS
SPOUSE'S identifying number <b>XXX-XX-3011</b>	#3 - Refund is for tax year: <b>2009</b>	#4 - School district income tax refunds: <b>\$0.00</b>	<b>\$217.00</b>

**Instructions to Recipient**

**Boxes #1 and #3** - Identifies the tax year for which the refunds shown in boxes #2 and #4 were made. If there is no entry in these boxes, the refunds are for 2009 taxes refunded in 2010.

**Boxes #2 and #4** - Shows refunds, credits or offsets of state or local income tax and/or school district income tax you received. If there is an entry in the boxes, it may be taxable to you if you deducted the taxes paid as itemized deductions on your federal income tax return. See the instructions for form 1040 or 1040A for more information.

# I-File - Epayments

Please select an Online Services application

Ohio IT 1040 I-File

**Ohio IT 1040 I-File** is the Ohio Department of Taxation's online service to file your Ohio Individual Income Tax Return, Form IT 1040, starting with tax year 2006. You may wish to read the [introduction to Ohio IT 1040](#)

Ohio SD 100 I-File

**Ohio SD 100 I-File** is the Ohio Department of Taxation's online service to file your Ohio Individual Income Tax Return, Form SD 100, starting with tax year 2006. You may wish to read the [introduction to Ohio SD 100](#) before you begin.

Ohio ePayment



**Ohio ePayment** is the Ohio Department of Taxation's Individual Income Tax online payment service allows you to pay your Ohio Individual Income and Ohio Individual School District

# I-File - Epayments

Tax Year

Note: an asterisk (\*) indicates required fields

\*Enter an amount to pay.

Pay by Electronic Check

Pay by Credit Card

\$

\$

**Important Note:** In order to process a credit card payment, Official Payments Corporation, the credit card service provider, charges a convenience fee of 2.5% (or \$1.00, whichever is greater) on the amount of the transaction. This fee is paid directly to Official Payments Corporation.

\* Please indicate which type of account

Checking

Savings

\*Enter Routing Number

\*Enter Account Number

Amount to Withdraw

\*Date to Withdraw

\$

/  /

# I-File - Epayments

## Available services

- Make an electronic payment
- View my payments made in the last  months.

Select Tax Type then Select Form Type.

*Tax Type	*Form Type ?
- Select -	- Select -
- Select -	
Individual Income Tax	
School District Income Tax	

Select Tax Type then Select Form Type.

*Tax Type	*Form Type ?
Individual Income Tax	- Select -
	- Select -
<input type="button" value="Continue"/>	Estimated Tax Payment
	40P Tax Return Payment
	40P Amended Return Payment
	40P Extension Payment
	Billing Payment
	Assessment Payment

# I-File – Epayments

## Epayments

07/26/2011	\$1.00	IT-ASSESSMENT	2010		<i>pending</i>	cancel
07/26/2011	\$1.00	IT-40P RETURN	2009		<i>pending</i>	cancel
07/26/2011	\$1.00	SD-100 EST	2011	Newark CSD (Licking Co.)	<i>pending</i>	cancel
07/26/2011	\$1.00	SD-40P RETURN	2010	Newark CSD (Licking Co.)	<i>pending</i>	cancel

## Cancelled Payments

07/27/2011	\$1.00	IT-1040 EST	2011		<i>cancelled</i>	undo
07/26/2011	\$2.00	IT-40P RETURN	2010		<i>cancelled</i>	undo
07/26/2011	\$1.00	IT-40P AMENDED	2010		<i>cancelled</i>	undo

# Electronic Filing- Alerts

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You received this email because you are on the practitioner or software developers email list. As requested, all email are sent bcc.

## **Practitioners**

2 different Bills, HB58 & SD7 have been introduced to have us in conformity with the Feds as of 12/17/10 which will eliminate the need for any add-backs due t you hold all returns until this issue is decided in the next 2 weeks (hopefully). If you submit returns before conformity passes, you may have to amend your Oh income tax returns.

## **Developers:**

This email serves as notification so you can prepare your software and updates accordingly.

[Karen\\_Fisk@tax.state.oh.us](mailto:Karen_Fisk@tax.state.oh.us)

# Notifications – IRS Quick Alerts

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<http://www.irs.gov/taxpros/providers/article/0,,id=208260,00.html>

- **Alerts** – Processing delays, Programming issues, Changes to any filing season procedure, Error Code and and Business Rule information
- **Technical** – Schema information, Software testing (PATS and ATS)
- **General Notifications** – Seminars, Conferences, e-file publication changes.
- **General IRS e-file Service Center Messages** – IRS e-file program updates, General information, Service Center maintenance schedules, IRS e-file Help Desk phone numbers and more

# eFile - Practitioner's Web Page

## Ohio Department of Taxation Tax Professionals

### Popular services

Get a tax form

File income taxes online

File sales taxes online

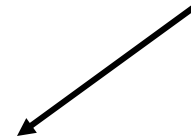
File other taxes online

Make a payment

Check on your refund



- [Tax Forms](#)
- [Ohio Taxes](#)
- [Releases](#)
- [Online Services](#)
  - [Income Tax Filing](#)
  - [Business Taxes](#)
  - [Electronic Filing for Tax Preparers](#)



# eFile - Practitioner's Web Page

## Ohio Department of Taxation Individual Income Tax

### Popular services

[Get a tax form](#)  
[File income taxes online](#)  
[File sales taxes online](#)  
[File other taxes online](#)  
[Make a payment](#)  
[Check on your refund](#)  
[Find a tax rate for any address with The Finder](#)

### Other resources

[Taxes we administer:](#)  
[Individual income tax](#)  
[Sales and use tax](#)  
[Other taxes](#)  
[About the department](#)  
[Information releases](#)  
[Media relations](#)  
[Sign up for e-mail alerts](#)  
[Report tax fraud](#)  
[Report suspicious email](#)  
[Frequently asked questions](#)  
[Contact us](#)

### Electronic Filing for Tax Preparers

This page contains resources for tax preparers who seek more information about Ohio's electronic filing requirements.

#### Tax Preparer Electronic Filing Requirement

Starting in 2009, tax preparers will be required, in most cases, to begin using one of Ohio's electronic filing methods to file clients' returns. To learn more about this requirement, click on one of the links below.

- [Information Release IT 2009-01](#) — This document outlines the electronic filing requirement for tax preparers.
- [Frequently Asked Questions](#) — Questions and answers about the requirement.
- [Preparer Opt Out Form](#) — This form may be used by preparers to request exclusion from the electronic filing requirement. Note: Such requests will be handled on a case-by-case basis.
- [Taxpayer Waiver](#) — This form may be used by individual taxpayers to request exclusion from the electronic filing requirement for preparers.

#### Alerts

#### Other Resources for Tax Preparers

Other resources on electronic filing are listed below.

- [2010 IT1040 Instructions](#)
- [2010 Ohio Practitioner Electronic Filing Booklet](#)
- [Approved Software Developers Tax Year 2010 - Legacy](#)
- [Approved Software Developers Tax Year 2010 - MeF](#)
- [Software Developers](#) — This page contains resources for software developers.

# eFile - Practitioner's Web Page

## Ohio Department of Taxation Individual Income Tax

### Popular services

**Get a tax form**  
**File income taxes online**  
**File sales taxes online**  
**File other taxes online**  
**Make a payment**  
**Check on your refund**  
**Find a tax rate for any address with The Finder**

### Other resources

**Taxes we administer:**  
    **Individual income tax**  
    **Sales and use tax**  
    **Other taxes**  
**About the department**  
**Information releases**  
**Media relations**  
**Sign up for e-mail alerts**  
**Report tax fraud**  
**Report suspicious email**  
**Frequently asked questions**  
**Contact us**

### 2010 Approved Software Developers - MeF

Software developers that have been approved for Fed/State electronic filing

#### Professional

**Official company name:** CCH-Small Firm Services ([Limitations](#))  
**Product Name:** ATX  
**Mailing Address:** 225 Chastain Meadows Ct, Suite 200, Kennesaw GA 30144  
**Support:** 866-641-9473  
**Sales:** 866-345-4171  
**Email:** [sales@atxinc.com](mailto:sales@atxinc.com)  
**Web Address:** <http://www.atxinc.com>

**Official company name:** Intuit ([Limitations](#))  
**Product Name:** ProSeries  
**Mailing Address:** 7535 Torrey Santa Fe Rd, San Diego CA 92129  
**Support URL:** <http://my.proseries.intuit.com/support/>  
**Help Line:** 800-434-6818  
**Web Address:** <http://proseries.intuit.com/products/professional/1040Complete.jsp?view=sysreqs>

**Official company name:** Jackson Hewitt Tax Service Inc. ([Limitations](#))  
**Product Name:** ProFiler  
**Web Address:** <http://www.jacksonhewitt.com>

#### Online

**Official company name:** Intuit ([Limitations](#))  
**Product Name:** TurboTax Software - Individual Tax Software  
**Mailing address:** 7535 Torrey Santa Fe Road, San Diego, CA 92129  
**Contact and Help:** 888-777-3741 <http://turbotax.intuit.com/support/>  
**Web Address:** <http://turbotax.intuit.com>

# eFile - Practitioner's Web Page

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Official company name: Intuit

Product name: ProSeries

This software does not support the following:

- Multiple direct deposits
- School District direct deposit/direct debit if more than one School District return is being filed.
- IAT transactions
- Foreign addresses
- Installment payments
- K-1
- W2G
- W2 wages greater than \$9,999,999
- School District return without IT-1040

# e-File - Practitioner's Web Page

## Alerts

Software Name	Problem	Date the Problem was Detected	Date the Software Company Fixed the Problem	What the Practitioner Has to Do
Drake	Taxpayer with full-year residency was able to claim a Sch D credit.	2-14-2011	2-15-2011	Pick up the update put out by Drake.
TaxAct	If the taxpayer requested a direct deposit of e.g. \$87.00 and the t/p split it evenly between his checking and savings account and if that split = \$43.50, it was rejected as a direct deposit because the two amounts rounded thereby making the deposit greater than the refund amount (44.00 plus 44.00 = \$88 not \$87).	Late January	2-1-2011	Version Control
EZ Tax Return	Deposit amount does not match refund amount.	1-14-2011	1-21-2011	Version Control
OnLine Taxes	Deposit amount does not match refund amount.	1-14-2011	1-26-2011	Version Control
HR Block web and TPS (Professional product)	Deposit amount does not match refund amount .	1-14-2011	1-17-2011	Version Control
Intuit	Deposit amount does not equal the refund amount.	1-14-2011	1-24-2011	

# I-File - Updates

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## This Year

- Accept hyphenated last names
- IT-10 (Ifile and e-File)

# I-File - Updates

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## **Next Year**

### ➤ **Schedule B – Senior Citizen Credit**

- Phone calls because the taxpayers don't give themselves the credit. The program looks at the birthdate and select the schedule B option automatically.
  - It can't give them the credit automatically b/c taxpayers cannot take the senior citizen credit, if any previous (or current year) they took the lump sum distribution credit.

# I-File - Updates

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- Add Military income questions to W-2 screen
  - This will tell us if the taxpayer is entitled to take the Schedule A military deductions
- Add Joint Filing question
  - Some income doesn't qualify for the joint filing credit, but the system can't differentiate.

# eFile – IRS Updates

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- IRS says the software can't populate the SSN, Name or Address automatically
- Mandate
  - Ohio > 75
  - IRS > 10
- MeF Tax Year 2012

# Modernized eFile (MeF)

Legacy	MeF
Accepts only one resident, nonresident or part-year resident school district income tax return	Accepts unlimited resident, nonresident and part-year resident school district income tax returns
Does not send any school district acknowledgements	Receives an 'acknowledgement' for each e-filed school district income tax return
Accepts every return	Rejects returns with errors or sends alert messages
Agent calls practitioner requesting copies of certificates, W2s, K-1s, other state's returns, etc.	<ul style="list-style-type: none"> <li>- Documents can be attached as a PDF and submitted to the state return and transmitted electronically.</li> <li>- If your software does not support PDF files, Ohio will accept the return and send a message with the acknowledgement asking the practitioner to fax the requested information.</li> </ul>
Must submit the IT 1040 and SD 100 in one transmission	May submit the SD 100 in a separate transmission From the IT 1040.

# Modernized eFile (MeF) Error Codes

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[http://tax.ohio.gov/divisions/ohio\\_individual/individual/electronic\\_filing.stm](http://tax.ohio.gov/divisions/ohio_individual/individual/electronic_filing.stm)

- ***OHCOM - Errors that may occur on either the IT 1040 or the SD100***
  - You requested an electronic payment but did not provide a payment amount. Please correct and retransmit.
- ***OHIND – Errors that occur on the IT1040***
  - An Ohio income tax return has already been received and processed
- ***OHSD – Errors that occur on the SD100***
  - The school district number entered on the SD 100 is not a valid taxing Ohio school district

# Modernized eFile (MeF)

Received **Second SD return with payment.**

**Accept** - but won't process the return. We will send a message to the preparer.

A school district income tax return has already been received and processed for this taxpayer, tax year and school district number. Please file an Ohio SD 100X Amended School District Income Tax Return if you are attempting to correct the original return. We will apply the attached payment to the tax liability

# Modernized eFile (MeF)

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Received **Second SD** return **without Payment**

**Reject** the return and send a message to the preparer

A school district income tax return has already been received and processed for this taxpayer, tax year and school district number. Please file an Ohio SD 100X Amended School District Income Tax Return if you are attempting to correct the original return.

# Modernized eFile (MeF)

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This acknowledges your form IT1040withSD100 with school districts [**4902, 4604**]

This will list all school district numbers that we received in the transmission

# Modernized eFile (MeF)

## Return Type (AKA Submission Types)

- **IT1040**
- **SD100**
- **IT1040WithSD100**
- IT1040WithITDA
- IT1040WithSD100ITDA
- SD100WithITDA
- SD100WithIT10
- IT10
- ITDA
- SD100WithIT10ITDA

# Electronic Filing - Updates

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- PNC – no letters of indemnity
- Bank of America - No letters of indemnity
- Chase bank still charging \$30
- In Tax Year 2008 more than 365 unanswered direct deposit inquiries
- This year Only 41 total inquiries that we had to send to the banks for resolution

# Electronic Filing - Updates

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Kudos for your efforts in helping your clients find their electronic deposits

# Electronic Filing - Updates

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- IT 10 – Information Notice (I-File and e-File)
- ITDA – Domicile Affidavit (e-File only)
- 2023 (e-File only)
- Within 2-3 yrs.....
  - Pass-Through Entity IT1041, 4708 & 1140 (mirror IRS timelines for MEF project)

# Multiple Deposits - Required Information

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For a Checking, Savings or IRA Account

- Bank Routing
- Account Number

Ohio College Advantage 529 Savings Account

- Beneficiary's Name
- Beneficiary's SSN
- Beneficiary's Account Number

# Multiple Direct Deposits

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## IRA

- 299 taxpayers
- \$67,344 direct deposits

## Ohio Tuition Trust Authority

- 168 taxpayers
- \$32,063

# Multiple Deposits Resolving Deposit Issues

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**The Taxpayer must contact :**

## **Ohio Tuition Trust Authority**

- Customer Service 800-233-6734

## **IRA, Checking or Savings**

- Call the ACH department of the financial institution.
  - <http://www.fededirectory.frb.org/>

# Personal/School District Income Tax

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Questions?

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614-466-4592

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614-644-8938