

CITY OF MASON – FORM IR-EZ INSTRUCTIONS FOR 2012 SIMPLE INDIVIDUAL INCOME TAX RETURN

WHO CAN USE FORM IR-EZ?

The EZ form is designed for use by residents who have only very basic W-2 income on which to file. This form may be used by residents and part-year residents who have four (4) or fewer W-2s, where each employer withheld local tax for no more than one (1) city.

If you have **any** of the following, you must file using the **Online Tax Tool** or Form IR (standard return):

- More than four (4) W-2s
- Local Tax withheld for more than one (1) city per W-2 employer (shown in Boxes 18-20 of the W-2)
- Income reported on Federal Schedules C, E, or F (self-employment, business, rental, farming, etc.)
- Income reported on a 1099-MISC
- Jury duty pay
- Form 2106 unreimbursed employee business expenses

LINE-BY-LINE INSTRUCTIONS

These line-by-line instructions are general guidelines.

Please see the General Information sheet and the Mason Tax Ordinance for more information.

NOTE: Please round the numbers on your tax return to whole dollar amounts.

- Complete the steps below. Use the boxes to check them off when complete.
- Complete the taxpayer information and filing status boxes on the top of Form IR-EZ.
- WORKSHEET A:** Complete Worksheet A using the instructions below.

Instructions for Worksheet A: Salaries, Wages, Tips and Other Employee Compensation per W-2(s)

Enter information from each W-2 on a separate line.

If you have more than four (4) W-2s (or more than one [1] taxing city per W-2), you cannot use this form.

- Column 1.** Enter the income from your W-2, Medicare Wages, Box 5. If Box 5 is blank, use Box 18.
- Column 2.** Enter the name of the city where you are employed as reported on your W-2, Box 18—if blank, enter “Non-Taxing Jurisdiction”.
- Column 3.** **If** Box 20 shows **Mason**, enter the Mason income tax withheld by your employer as reported in Box 19—otherwise, leave blank.
- Column 4.** If Box 20 shows a city other than Mason, and Box 19 is not 0 or blank, enter the local wages earned in that city as reported in Box 18.
 - If you were a part-year resident, enter only the portion of Box 18 wages earned while you lived in Mason.
 - If a refund was issued from another city, please provide documentation, such as the city tax return or refund request. Other city wages in Column 4 must be reduced to properly reflect any refund expected from another city.
- Column 5.** Calculate the credit for taxes withheld for cities other than Mason by multiplying the amount in Column 4 by .01. Enter that result in Column 5.

Line 2 Part-Year Resident Adjustment:

Residents who moved in or out of the City of Mason during the year pay income taxes only on the portion of income earned during their residency in Mason or while working in the City.

Line 2 should report income that is earned while not a resident of Mason and not taxable to the City of Mason. To calculate this amount, one of several methods may be used. The method chosen by the taxpayer must be a reasonable reflection of the amount of income not subject to Mason's income tax. Accordingly, credits for taxes paid to other cities must also be prorated using the same formula.

The following are common examples for determining the amount of income that is not taxable to the City of Mason:

- If an individual taxpayer had the same employer through the entire year, a check stub from around the time of the move to or out of Mason may be used to indicate the portion of income not subject to Mason's income tax. Place this amount on line 2. (Medicare or Gross Wages)
- You may also use the percentage of time or the number of months that you resided outside of the City of Mason to determine the amount of non-taxable income.

Example: A taxpayer moves to Mason on March 25 and had the same employer prior to and after the move. The non-taxable income would reflect 3 months out of 12 or 25% of the total income. Place this amount on line 2.

- If an individual taxpayer moved to Mason from out-of-state and also changed employers, he or she would be issued two W-2s. One would be from the out-of-state employer and one would be from the new employer which resulted in the move to Mason. *The amount which would be listed on line 2 would be the amount from Box 5 on the W-2 from the out-of-state employer.*

Please attach justification that supports how the prorated amount was calculated.

Note: Employers located within the city limits of Mason are required to withhold tax on all employees regardless of where the employee resides. Therefore, income earned from an employer located within Mason is not subject to proration.

- Line 7. Prior year overpayments**
Enter last year's overpayments not refunded to you. Call the Mason Tax Office at 513-229-8535 to verify the amount, if needed.
- Line 8. Estimated payments**
Enter the total of all payments made directly to the City of Mason Tax Office toward your 2012 tax liability or a zero if none. **Click here** or call the Mason Tax Office at 513-229-8535 to verify the amount, if needed.
- Line 11. Penalty: late filing or payment penalty.**
Late filing penalty: A minimum penalty of \$20 will be assessed if the return is filed or postmarked after the due date of April 15. See General Information (N) for more information.
- Payment penalty:**
A minimum penalty of \$20 will be assessed if at least 90% of your 2012 tax liability (line 4 less line 6) was not paid by January 31, 2013. See General Information (N) and (P) for more information.
- Line 12. Interest.**
Interest expense of 1/2% per month is assessed on all taxes remaining unpaid after their due date. See General Information (O).
- Line 16. Amount from line 14 to be refunded**
Enter the amount from line 14 that you want refunded rather than applied toward your next year's tax liability. Amounts less than \$3 are not refunded. Refunds may take up to 90 days to process.

DECLARATION OF ESTIMATED TAX FOR 2013

- Line 17. Total income subject to tax**
Enter next year's estimated Mason taxable income. If unsure, use the amount reported on line 3.
- Line 18a. Mason tax withheld**
Enter here the Mason taxes you expect to be withheld from your wages. If unsure, use the amount reported on line 5.
- Line 18b. Income taxed by another city**
Enter the income you estimate will be taxed by another city. If unsure, use total of wages from Worksheet A, column 4.
- Once completed and reviewed, print a copy of the return for your records using the "Print Form" button.**

To E-file the Return:

- Please complete the payment section at the bottom of the form for any balance due.
- Upload all required supporting documentation (W-2s, page 1 of the federal return, etc.).
- Then, e-file and submit your electronic payment by clicking the "Submit to City" button. This is done through the fully secure and encrypted submission process. Submitting the form acts as your electronic signature and is acknowledgement of the statement on the tax form "the undersigned declares that this return (and accompanying schedules) is a true, correct, and complete return for the taxable period stated and that the figures used herein are the same as used for federal income tax purposes."

To Submit Paper Return:

- Print, sign and date your return.
- Include all appropriate documentation (W-2s, page 1 of federal return, etc.) and payment for any balance due, and mail to or drop off at the Mason Municipal Center. If you wish to pay by check, please make it payable to "City of Mason Tax Office".