

Instructions for Form IR-21

Declaration of Estimated Income Tax

Use to prepare returns for tax year **2020**

The Columbus tax rate is **2.5%**

****Please Note: On March 31, the City announced the extension of the 2019 filing and payment deadline to July 15, 2020. Instructions have not been updated; rather, see the Deadline Extension FAQ at the back of these instructions for more information.****

What's New?

Supplemental Executive Retirement Plans no longer taxable.

Beginning tax year 2020, SERPs are no longer taxable at the municipal level. For complete information on what retirement income is taxable at the municipal level, please see C.C.C. §362.

Do I Need to File?

You must file Form IR-21, Declaration of Estimated Tax if:

- You expect to owe more than \$200 in Columbus tax in 2020,
- You are a nonresident who has taxable income in Columbus, or
- You had taxable income in Columbus in 2019 but will not have taxable income in Columbus in 2020. Complete Form IR-21 showing zero in Column G.

Line Instructions

Column B: Estimate 2020 income from wages, salaries, commissions, etc.

Column C: Estimate 2020 income from net profits, rental property, and other income.

NOTE

*Columbus does not allow the net loss from an unincorporated business to be used to offset wages, salaries, commissions or other compensation. The amount in Column C **cannot** be less than zero.*

Column D: Add Column B and Column C.

Column E: Multiply the figure in Column D by 2.5%.

Column F: Enter estimated 2020 amounts of:

- a. Columbus tax shown as withheld on the W-2's;
- b. Tax correctly paid to another city on income earned in that city (attach a copy of the return filed with that city). This amount is limited to:
 - i. that city's tax rate multiplied by that job's city taxable income; or
 - ii. the Columbus tax rate (2.5%) multiplied by that job's taxable income.
- c. Columbus tax paid on your behalf by a partnership; and
- d. Contributions (limit \$50 for individual return or \$100 for joint return) made to the campaign committee of candidates for Columbus mayor, city attorney, city auditor, or member of city council.

Do not enter declaration payments in Column F. They are entered on Line 2.

Column G: Subtract Column F from Column E.

Divide the figure in Form IR-21, Box 1 by 4 to determine quarterly installment payment amounts. This amount, minus any credits from overpayment of previous year's return, must be paid when you file Form IR-21 (Line 5).

Your 2020 Form IR-21 is due on April 15, along with your estimated payment for the first quarter. No extensions of time to file or pay will be granted.

Amending Form IR-21

You may file an amended Form IR-21 to increase or decrease the original declaration of estimated tax. To file an Amended Declaration using Form IR-21, mark the box at the top right portion of the form designated as "AMENDED".

Making Quarterly Estimated Payments

After filing Form IR-21, you will use Form IR-18, Quarterly Statement of Estimated Income Tax, to file remaining quarterly payments. Payments are due:

- June 15, 2020
- September 15, 2020
- January 15, 2021

Each estimated tax payment must include a payment of at least 25% of the total estimated tax shown on IR-21 or include a credit carryforward.

All 2020 quarterly estimated payments must total at least 90% of the total tax liability shown on your 2020 tax return

or at least 100% of the total tax liability shown on your 2019 tax return. If all estimated payments total an amount less than either of these criteria, or if payments are not made by the due dates listed above, you will be subject to penalty and interest.

Form IR-21, Form IR-18, and complete instructions for all forms are available on our website at www.columbustax.net

Finishing and Filing the Return

Mail your completed Form IR-21 to:

NO Payment Enclosed:

Mail to: Columbus Income Tax Division
PO Box 182437
Columbus, Ohio 43218-2437

Payment Enclosed:

Make payable to: CITY TREASURER
Mail to: Columbus Income Tax Division
PO Box 182158
Columbus, Ohio 43218-2158

Rev. 4/1/2020

On March 31, 2020, the Columbus Division of Income Tax announced an extension of the filing and payment deadlines for 2019 individual income tax and corporate net profit annual returns from April 15 to July 15. Individuals and businesses required to make quarterly estimated payments will also have additional time to make first and second quarter payments. Payments normally due on April 15 and June 15 will now be due on July 15.

The following information is provided to address potential questions regarding the extension.

Who is eligible for this deadline extension?

Any person with a City income tax return or payment due on April 15, 2020, is eligible for an extension deadline. "Person" includes any type of taxpayer, such as an individual, a trust, an estate, a corporation, or any type of unincorporated business entity. The payment due refers to both 2019 City income tax payments (including payments of tax on self-employment income) and first and second quarter 2020 estimated City income tax payments (including payments of tax on self-employment income), regardless of the amount owed.

Do I have to actually be sick, or quarantined, or have any other impact from COVID-19 to qualify for payment relief?

No, you do not have to be sick, or quarantined, or have any other impact from COVID-19 to qualify for relief. You only need to have a City income tax return or payment due on April 15, 2020, as described above.

What are the form numbers of the specific City income tax returns whose filing deadlines have been postponed, from April 15 to July 15?

The deadline extension applies to the filing and payment of City income taxes reported on the following forms:

- Form IR-25, Annual City Return for Individuals
- Form IR-21, Declaration of Estimated Tax
- Form IR-42, Application for Filing Extension
- Form BR-25, Annual City Return for Businesses
- Form BR-21, Declaration of Estimated Income Tax
- Form BR-42, Application for Filing Extension

Additionally, the following forms normally due on June 15 are now due on July 15:

- Form IR-18, Quarterly Statement of Estimated Tax Due
- Form BR-18, Quarterly Statement of Estimated Tax Due

What about businesses or other entities that have filing due dates on some other date besides April 15. Have their filing and payment deadlines been postponed?

No, any taxpayers who have filing or payment due dates other than April 15 have not been granted deadline extensions at this time.

I haven't filed my 2019 income tax return that would have been due on April 15 yet, but I expect to file it by July 15. What do I need to do?

Nothing, except file and pay any tax due with your return by July 15. You don't need to file any additional forms or call the City to qualify for this automatic City tax filing and payment deadline extension. If you expect a refund, you are encouraged to file your return as soon as you can so that you can receive your refund. If you need more time beyond July 15 to file your return, request an automatic extension of time to file as described next.

What if I am unable to file my 2019 income tax return that would have been due on April 15 by July 15, 2020?

If you are an individual, you can request an automatic extension to file your City income tax return if you can't file by the July 15 deadline. To request an extension, please file form IR-42 by July 15.

You must request the extension by July 15, 2020. If you properly estimate your 2019 tax liability using the information available to you and file an extension form by July 15, 2020, your tax return will be due on October 15, 2020. To avoid interest and penalties when filing your tax return after July 15, 2020, pay the tax you estimate as due with your extension request.

I already filed my 2019 income tax return that would have been due on April 15 and I owe taxes, but I haven't paid yet. What do I need to do to avoid interest and penalties?

To avoid interest and penalties, pay your taxes in full by July 15, 2020. If you filed form IR-25, the tax payment amount can be found on line 5. For a corporation filing Form BR-25, the tax payment amount can be found on line 5. Interest and penalties will begin to be charged after July 15 for any amount remaining unpaid by that date.

I already scheduled a payment of taxes for April 15, 2020 in the Division's Payment Portal. Will this payment be automatically rescheduled to July 15, 2020?

No. You must work with your bank to cancel your scheduled electronic check payment.

The deadline extension applies to first quarter 2020 estimated income tax payments due on April 15, 2020. What about second quarter estimated tax payments due on June 15? Have they been postponed as well?

Yes, second quarter 2020 estimated income tax payments are now due on July 15, 2020. First quarter 2020 estimated income tax payments are also postponed from April 15 to July 15, 2020.

I want to file a claim for a refund for 2016, which must be filed by April 15, 2020 to be timely. Does this relief give me more time to claim my 2016 refund?

No, the relief provided for filing City income tax returns applies only to City income tax returns for the 2019 taxable year. The Notice does not extend relief to any filings or payments for taxable year 2016.

I failed to make the required installments of estimated tax in the required amounts during 2019 for my 2019 taxable year. Does this relief apply to an estimated tax penalty for 2019?

No, the relief does not change the estimated tax requirements or estimated tax penalty for 2019. Individuals and businesses who have not yet received an abatement of penalty and wish to request a one-time penalty abatement should send a written request to the Division.

Does the deadline extension apply to employer withholding or hotel/motel/short-term rental or admissions excise taxes?

No. Normal filing, payment, and deposit due dates continue to apply to employer withholding and excise taxes.

Employers should mail Forms IT-15 and IT-11 with payment to:

The Columbus Income Tax Division
PO Box 182489
Columbus, Ohio 43218-2489