

Ohio - Quick Tax Reference (QTR)



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Ohio - Quick Tax Reference (QTR)

Ohio

2024 Tax Year

Version 2 – 01/22/25

This document was prepared by the Joint Ohio State Tax Training Committee (STTC)

It is intended for the use by AARP Tax-Aide counselors in preparing Ohio tax returns

for TY 2024 in OH1, OH2 and OH3

This Tax-Aide Reference does not replace or override the Ohio IT 1040 instructions

CHECKLIST and OHIO INTERVIEW GUIDE (for use by Counselors)

TAXPAYERS NAME: _____

Tax Year 2024

FEDERAL CHECKLIST - Check these entries, as they can impact the Ohio return

| | | |
|---|--|--|
| 1 | <input type="checkbox"/> Verify Exempt Interest & Dividends Adjusted for Ohio | Use QTR " OH Interest and Dividend Adjustments " |
| 2 | <input type="checkbox"/> Verify W-2 School District # and Tax Entered Correctly | (check SD# and tax entered on 2nd state line of W-2) |
| 3 | <input type="checkbox"/> Verify ALL Medical Expenses were Entered on Sch. A | Use QTR " OH How to Enter Medical Exp. " |
| 4 | <input type="checkbox"/> If LTC insurance capped enter amount disallowed \$ _____ | Enter amount disallowed in Ohio return <small>Enter amt. capped at: Ohio > Subtractions from Income > Unreimbursed LTC and Health Expenses (Medical Worksheet)</small> |
| 5 | <input type="checkbox"/> Total Business Income (from all Sch 1, L-3) \$ _____ | Use QTR " Business Income Deduction " <small>Enter at: Ohio > Subtractions from Income > Form IT-BUS (Buss. Income Schedule)</small> |
| 6 | <input type="checkbox"/> If Educator Exp. capped enter amount disallowed \$ _____ | record amount Federal disallowed, enter for Ohio <small>(Ohio max \$250) Enter at: Ohio > Subtraction from Income > OH Educator expenses in excess of Federal Deduction</small> |
| 7 | <input type="checkbox"/> If Ohio Estimated Tax was paid, verify Ohio est. payments for TY24 were entered on Federal return | <small>Enter est. tax paid at: Federal Section > Payments and Estimates > State Estimated Payments</small> |

OHIO INTERVIEW GUIDE - Review with the taxpayer before starting the Ohio return

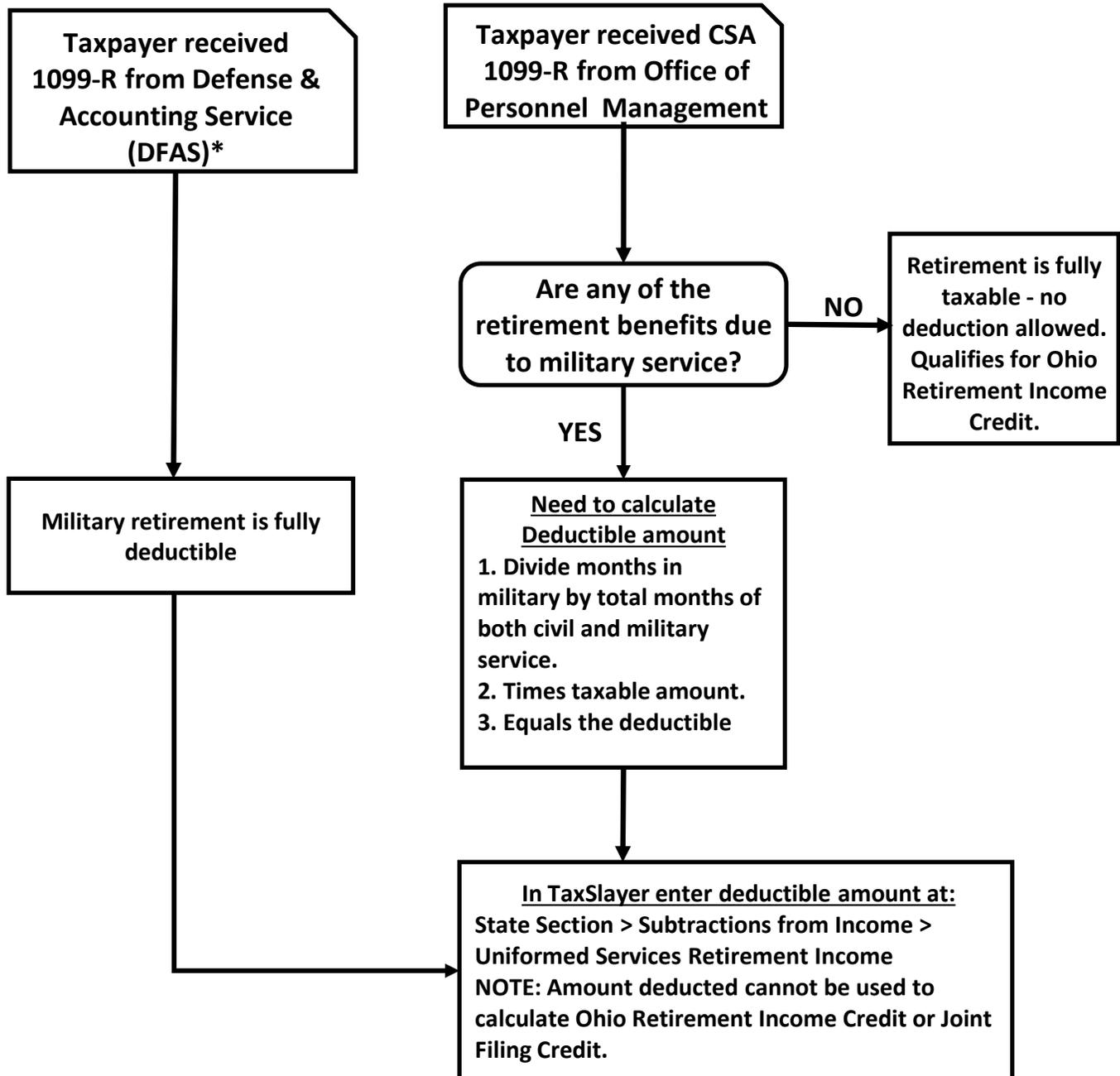
| | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|------------|--------------------------------|---|----------------------------------|------------|--------------------------------|---------------------------------|----------------------------------|--|---------------------------------------|-------|-------|--------------------------|--------------------------|--------------------------|--|-------------------------------------|-------|-------|--------------------------|--------------------------|--------------------------|
| 1 | <input type="checkbox"/> Was the Taxpayer a Full Resident of Ohio? <i>If NO</i> - enter the dates taxpayer lived in Ohio | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | If NO use QTR " Part Year Resident " Residency Dates --> from: _____ to: _____ | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | <input type="checkbox"/> Record School District (SD) Information <i>Always Use --> Ohio Finder</i> (search on taxpayers address) | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">(A)</td> <td style="width: 45%;">Enter where Taxpayer lived majority of the year TP wants to Allocate? YES or NO</td> <td style="width: 10%;">County _____</td> <td style="width: 10%;">SD # _____</td> <td style="width: 10%;">Trad. <input type="checkbox"/></td> <td style="width: 10%;">Earned <input type="checkbox"/></td> <td style="width: 10%;">Non-Tax <input type="checkbox"/></td> </tr> </table> <p style="color: red; font-size: small;">Use QTR "SD-100 School District Tax" on how to complete the SD return</p> | | | | (A) | Enter where Taxpayer lived majority of the year TP wants to Allocate? YES or NO | County _____ | SD # _____ | Trad. <input type="checkbox"/> | Earned <input type="checkbox"/> | Non-Tax <input type="checkbox"/> | | | | | | | | | | | | | | |
| (A) | Enter where Taxpayer lived majority of the year TP wants to Allocate? YES or NO | County _____ | SD # _____ | Trad. <input type="checkbox"/> | Earned <input type="checkbox"/> | Non-Tax <input type="checkbox"/> | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">(B)</td> <td style="width: 45%;">IF Taxpayer lived in other SD's enter info here:</td> <td style="width: 10%;">County _____</td> <td style="width: 10%;">SD # _____</td> <td style="width: 10%;">Trad. <input type="checkbox"/></td> <td style="width: 10%;">Earned <input type="checkbox"/></td> <td style="width: 10%;">Non-Tax <input type="checkbox"/></td> </tr> <tr> <td></td> <td>SD (B) Residency Start Date --> _____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td></td> <td>SD (B) Residency End Date --> _____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table> | | | | (B) | IF Taxpayer lived in other SD's enter info here: | County _____ | SD # _____ | Trad. <input type="checkbox"/> | Earned <input type="checkbox"/> | Non-Tax <input type="checkbox"/> | | SD (B) Residency Start Date --> _____ | _____ | _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | SD (B) Residency End Date --> _____ | _____ | _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (B) | IF Taxpayer lived in other SD's enter info here: | County _____ | SD # _____ | Trad. <input type="checkbox"/> | Earned <input type="checkbox"/> | Non-Tax <input type="checkbox"/> | | | | | | | | | | | | | | | | | | |
| | SD (B) Residency Start Date --> _____ | _____ | _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | |
| | SD (B) Residency End Date --> _____ | _____ | _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | |
| 3 | <input type="checkbox"/> Eligible for - Military Retirement Benefits? <i>If Yes</i> - Enter amount if deductible | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Subtractions from Income > Uniformed Services Retirement Inc.</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | <input type="checkbox"/> Eligible for - Disability Benefits (code 3)? <i>If Yes</i> - Enter amount, if deductible | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Subtractions from Income > Enter Disability Benefits</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | <input type="checkbox"/> Eligible for - Survivor Benefits (code 4)? <i>If Yes</i> - Enter amount, if deductible | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Subtractions from Income > Enter Survivor Benefits</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | <input type="checkbox"/> Eligible for - Retirement Income Credit? <i>If Yes</i> - Calculate & enter amount | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Credits > Nonrefundable > Total Qualified Retirement Inc.</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | <input type="checkbox"/> Home School Expense Credit? (max \$250 per return) | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Credits > Nonrefundable > Home School Expense Credit</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | <input type="checkbox"/> Non-charter Nonpublic School Tuition Credit? | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Credits > Nonrefundable > Non-charter, Non Public Sch. Tuition Credit</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | <input type="checkbox"/> Scholarship Donation Credit to SGO - must verify <small>\$750 per TP, max \$1500</small> | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Credits > Nonrefundable > Scholarship Donation Credit</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | <input type="checkbox"/> Contributions to a 529 Plan? (max \$4K per beneficiary) | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Subtractions from Income > Contributions College Advantage 529 Plan</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | <input type="checkbox"/> Campaign Contributions? (to statewide/gen assembly) <small>max \$50 per taxpayer</small> | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>Credits > Nonrefundable > Enter State Political Contribution Credit</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 12 | <input type="checkbox"/> Unpaid Use Tax? (sales tax) | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ <small>State > Use Tax</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 13 | <input type="checkbox"/> Any Estimated 2025 Ohio tax vouchers needed? | <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px;">Yes</td><td style="padding: 2px;">No</td></tr></table> | Yes | No | \$ _____ \$ _____ \$ _____ \$ _____ <small>Miscellaneous Forms > Estimated Payment Vouchers</small> | | | | | | | | | | | | | | | | | | | |
| Yes | No | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | <input type="checkbox"/> <i>This Guide does not cover rarely seen deductions & credits, ask taxpayer if they have other Ohio adjustments.</i> | | | | | | | | | | | | | | | | | | | | | | | |

OHIO MILITARY RETIREMENT INCOME DEDUCTION

Taxpayers who served in the "Uniformed Services" can deduct military retirement income from their Ohio taxable income. Income must be related to active or reserve service, or National Guard. Uniformed Services includes: Army, Navy, Air Force, Marine Corps, Space Force, Coast Guard, NOAA, and the Public Health Service.

See Ohio IT 1040 Instructions, page 23, for additional information.

QR Note: This deduction will appear on Ohio Schedule of Adjustments, Line 33.



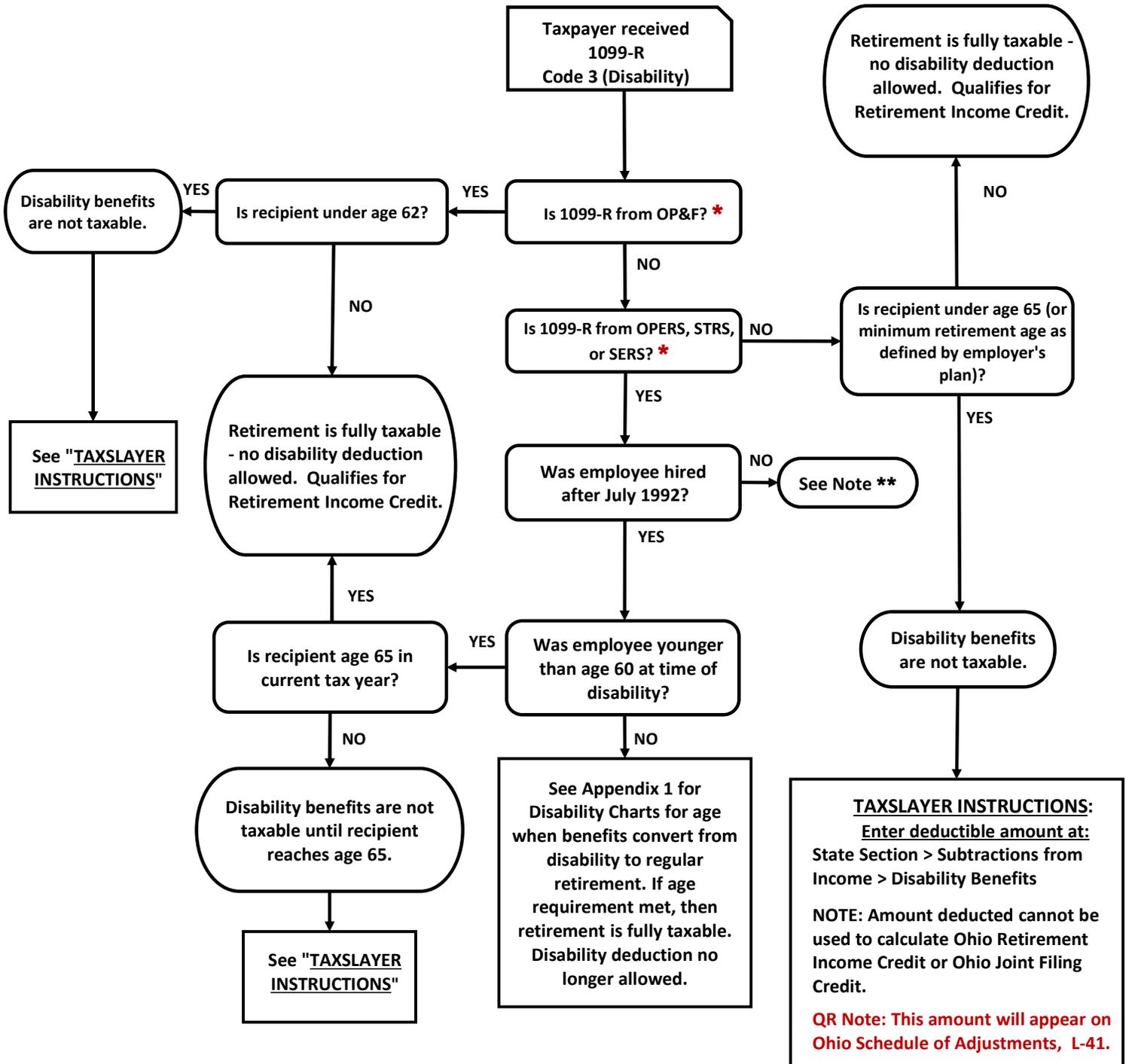
NOTES:

Since CSA 1099-R can include both military and civil retirement benefits, a calculation is required. See Federal and civil retirement Handbook at www.opm.gov/retire for more information.

*Coast Guard retirees have a different payer, not DFAS.

OHIO DISABILITY BENEFITS DEDUCTION

Ohio taxpayers who receive disability benefits can deduct them if they are included in Federal AGI. QR - This deduction will appear on Ohio Schedule of Adjustments, Line 41.



NOTES:

* OP&F (Ohio Police & Fire), OPERS (Ohio Public Employee's Retirement System), STRS (State Teacher's Retirement System) or SERS (School Employee's Retirement System)

** Employees hired before July 1992 could choose between the "old Disability Retirement" plan and the "new Disability Allowance" plan. We should not encounter this situation.

OHIO DISABILITY CHARTS

APPENDIX 1 - DISABILITY CHARTS (from Ohio Department of Taxation)

OPERS:

| TP age at approval of disability: | Disability reverts to Retirement : |
|-----------------------------------|------------------------------------|
| Younger than 60 | At age 65 |
| 60-61 | After 60 months |
| 62-63 | After 48 months |
| 64-65 | After 36 months |
| 66-68 | After 24 months |
| 69 or older | After 12 months |

STRS & SERS:

| TP age at approval of disability: | Disability reverts to Retirement: |
|-----------------------------------|-----------------------------------|
| Under age 60 | At age 65 |
| 61 | At age 66 |
| 62 | At age 66 |
| 63 | At age 67 |
| 64 | At age 67 |
| 65 | At age 68 |
| 66 | At age 68 |
| 67 | At age 69 |
| 68 | At age 70 |
| 69 or older | At age of disability + 12 months |

NOTES

*In some cases, distribution code on the 1099-R is not updated when the benefit classification changes. Base tax return entries on taxpayer answers to the questions above.

*** For OH public retirement systems (OPERS, STRS, SERS, OP & F), Taxpayer must use OH retirement/disability tables to determine actual retirement age of decedent.

If benefits are not taxable and deducted from OH income, then they do not count towards OH Joint Filing Credit.

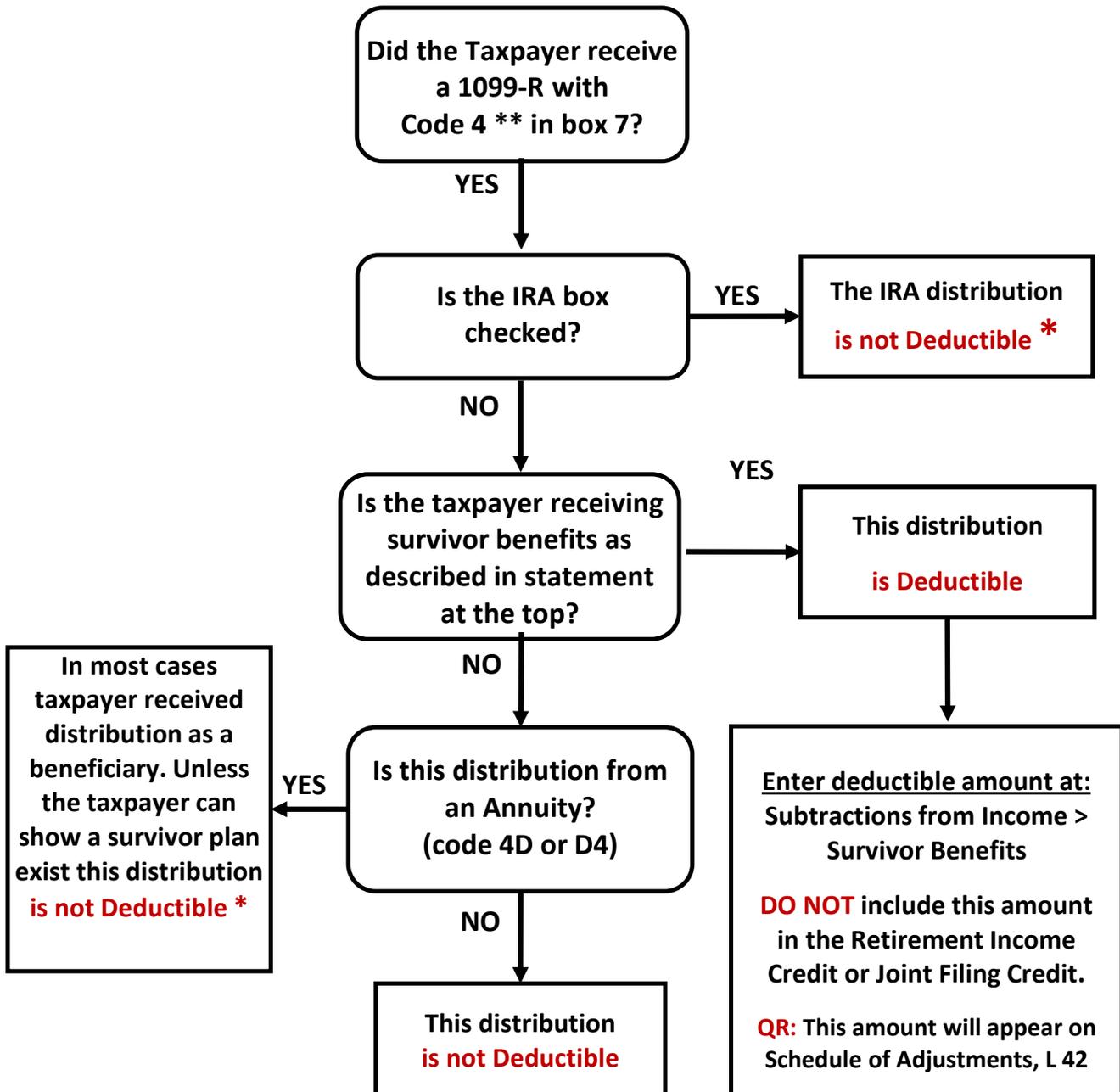
TAXSLAYER INSTRUCTIONS

How to deduct from OH income:

1. State Section > Subtractions from Income > Disability Benefits (Begin or Edit)
2. Enter amount from 1099-R, box 2a
3. Click "Continue"
4. Deduction will show on OH Sch of Adjustments, line 41

OHIO SURVIVOR BENEFITS DEDUCTION

In general, Ohio taxpayers who receive Survivor Benefits from a pension plan can deduct them if they are included in Federal AGI, received because of the death of covered individual, and are paid to the recipient pursuant to a survivor plan.



* Note: If the taxpayer believes they are entitled to the survivor deduction, the deduction can be applied, but the taxpayer must be advised that they may be asked to substantiate the basis for the deduction by the Ohio Department of Taxation

** The paying plan dictates if the distribution will always be considered a Survivor death benefit or change to a regular retirement benefit. If the latter, the plan administrator will change the distribution code to a 7 on the 1099-R to indicate Normal Retirement. In this case, the distribution is no longer deductible as Survivor Benefits Deduction but will qualify for Retirement Income Credit

OHIO RETIREMENT INCOME CREDIT

Ohio Rule:

Ohio taxpayers can receive a non-refundable Retirement Income Credit of up to \$200 off their tax liability subject to the requirements below.

Requirements:

- The distribution is from a qualified retirement plan including pensions, profit-sharing, or other retirement plans, including IRAs.
- The income must be included in Ohio Adjusted Gross Income.
- Retirement income must be received because the taxpayer RETIRED. **Note:** The taxpayer can be retired but still be currently working.
- The taxpayer has not previously taken the Ohio lump sum retirement credit.
- Ohio Modified Adjusted Gross Income less exemptions must be less than \$100,000 (MFJ and MFS)
- For additional information about this credit, see Ohio IT 1040 Instructions.

TaxSlayer entry instructions:

To calculate the correct amount of qualified retirement income to enter in TaxSlayer:

- **Go to** State Section > Credits > Nonrefundable credits > (enter qualified amount of retirement income)
- **Start** with the total taxable pension and IRA amounts shown on the Federal 1040. **Note:** TaxSlayer will display this total just below the Retirement Income Credit entry field.
- **Adjust** the retirement income that qualifies the taxpayer for the credit. You must reduce the total amount of retirement income by subtracting the following deductions, if any:
 - Railroad Retirement Deduction (Line 17 – RRB 1099-R Certain Railroad Benefits)
 - Military Retirement Deduction (Line 33 – Uniformed Services Retirement Income)
 - Disability Benefit Deduction (Line 41 – Disability Benefits)
 - Survivor Benefit Deduction (Line 42 – Survivor Benefits)
 - Inherited IRA distribution amounts do not qualify for the credit
 - IRAs with distribution codes of 1, 2, or 4 do not qualify
- **TaxSlayer** will automatically calculate the Retirement Income Credit up to a maximum of \$200. If the amount of qualifying retirement income is over \$8,000, the maximum amount of the credit is \$200. If the amount of qualifying retirement income is \$8,000 or less, the credit is prorated.
- **CAUTION:** TaxSlayer does not validate this entry against Pension and IRA totals.
- **QR Note:** This retirement credit will appear on Ohio Schedule of Credits, Line 2.

OHIO UNREIMBURSED MEDICAL EXPENSE DEDUCTION CHART

Always properly enter medical data on Federal Schedule A (or Social Security screen for SSA-1099) so no adjustments are needed in the Ohio Medical Worksheet; Also, Self-employment Health Insurance (SEHI) is addressed below.

| 100% DEDUCTIBLE FULLY DEDUCTIBLE PREMIUMS* <i>[On Ohio Worksheet LINE 1 and LTC on LINE 2]</i> | LIMITED to >7.5% FED AGI PARTIALLY DEDUCTIBLE MEDICAL PREMIUMS/EXPENSES <i>[On Ohio Worksheet LINES 3 & 4]</i> | NOT DEDUCTIBLE (DO NOT enter these amounts Federal Schedule A as Itemized Deductions) |
|--|---|--|
| <i>[Line 1]</i> COBRA Medical Insurance offered by former employer, no subsidy | <i>[Line 3]</i> Medicare - Parts A,B,C,D TSO properly puts into Ohio Line 3 when entered from Form SSA-1099 | Medical Premiums paid with Pre-Tax dollars includes most employee plans, HSAs, FSAs, etc. |
| <i>[Line 1]</i> NET ACA (Marketplace) Premiums If TP owes/receives PTC money, then add/subtract amount to their Premium <small>[1095(A) – 1095(C) + 1040 Sch 2 Line 1a – 1040 Sch 3 Line 9]</small> | <i>[Line 4]</i> "Out of Pocket" (no SSA-1099) Medicare - Parts A,B,C,D enter Federal Sched A "Other Medical" | Medical expenses paid by you, but refunded or reimbursed |
| <i>[Line 1]</i> Unsubsidized Medical Insurance only when TP or SP is not <u>eligible</u> for Medicare or any employer or pension group medical/dental/vision plan | <i>[Line 4]</i> Medigap & Medicare Advantage reduce by any reimbursements** and enter Federal Sched A "Other Medical" | Medical expenses or premiums paid by insurance or another person |
| <i>[NOTE : ENTER AMOUNTS FROM THE ABOVE THREE BOXES INTO TSO FEDERAL SCHEDULE A INTO THE TOPMOST LINE IN MEDICAL]</i> | <i>[Line 4]</i> After-Tax Medical Insurance reduce by any reimbursements** and enter Federal Sched A "Other Medical" | Any PSO or Self-employment Medical Insurance deducted on Federal return |
| <i>[Line 2]</i> LTC Insurance Premiums in Federal Sched A, enter LTC premiums; in Ohio, enter only the disallowed LTC premium amounts - this is the only Ohio Medical data entry that may be needed <small>[OH>Subtr from Income>Medical Worksheet>Unreimbursed LTC]</small> | <i>[Line 4]</i> Unreimbursed Medical Expenses such as copays, deductibles, co-ins, Rx, exams, hospital, labs, nursing, glasses, contacts, hearing aids, etc... (refer IRS Pub 502, enter Federal Sched A) | Any PSO or Self-employment Medicare Premiums deducted on Federal return (DO NOT input on Federal Social Security Medicare screen nor on Federal Schedule A) |

NOTES:

- 1) ***FULLY DEDUCTIBLE** premiums are those paid when TP or SP was **NOT ELIGIBLE** for **Medicare** or any **employer or pension health plan** (the key concept is **eligibility**, regardless of which medical plan TP or SP chooses)
- 2) ****Reimbursement** accounts for healthcare are provided by many public pensions, such as **OPM, OPERS, STRS, SERS, OP&F**, and some private ones (deposits can vary per retiree). Health Reimbursement Accounts (HRAs) are commonly used for these funds)
- 3) Medical reimbursements offered by retirement plans are not captured on the 1099-R form; **the TP or SP must provide this amount**; only subtract the **ACTUAL reimbursements** for the year, not the annual HRA amount, although these are often the same amounts
- 4) ***NEW* in 2023 Ohio Retired Public Safety Officers (Police & Fire)** are eligible to exclude up to \$3,000 from their Federal taxes for any health & LTC insurance premiums for TP, SP, and dependents, but then cannot deduct healthcare elsewhere (double-dipping)
- 5) Return is **OOS** for ACA w/HRA situations: **A) Employed** - TP or SP has a W-2 Box 12 has "FF" code; OR, **B) Retired** - TP or SP has a 1095-A (ACA) **WITH PTC**, AND, has a 1099-R, AND, is **eligible** to receive an HRA (see #2 above for common HRA employers);

HOW TO ENTER MEDICAL EXPENSES IN FEDERAL FOR CARRYOVER TO OHIO

ALWAYS enter all medical expenses in appropriate Federal forms, even if the taxpayer is not itemizing
ALWAYS check "YES" to complete Ohio "Unreimbursed Health Care Expenses Worksheet"

STEPS: for 1040 Schedule A entries

1. Divide out-of-pocket medical insurance premiums paid by taxpayer into 2 amounts ("Buckets")

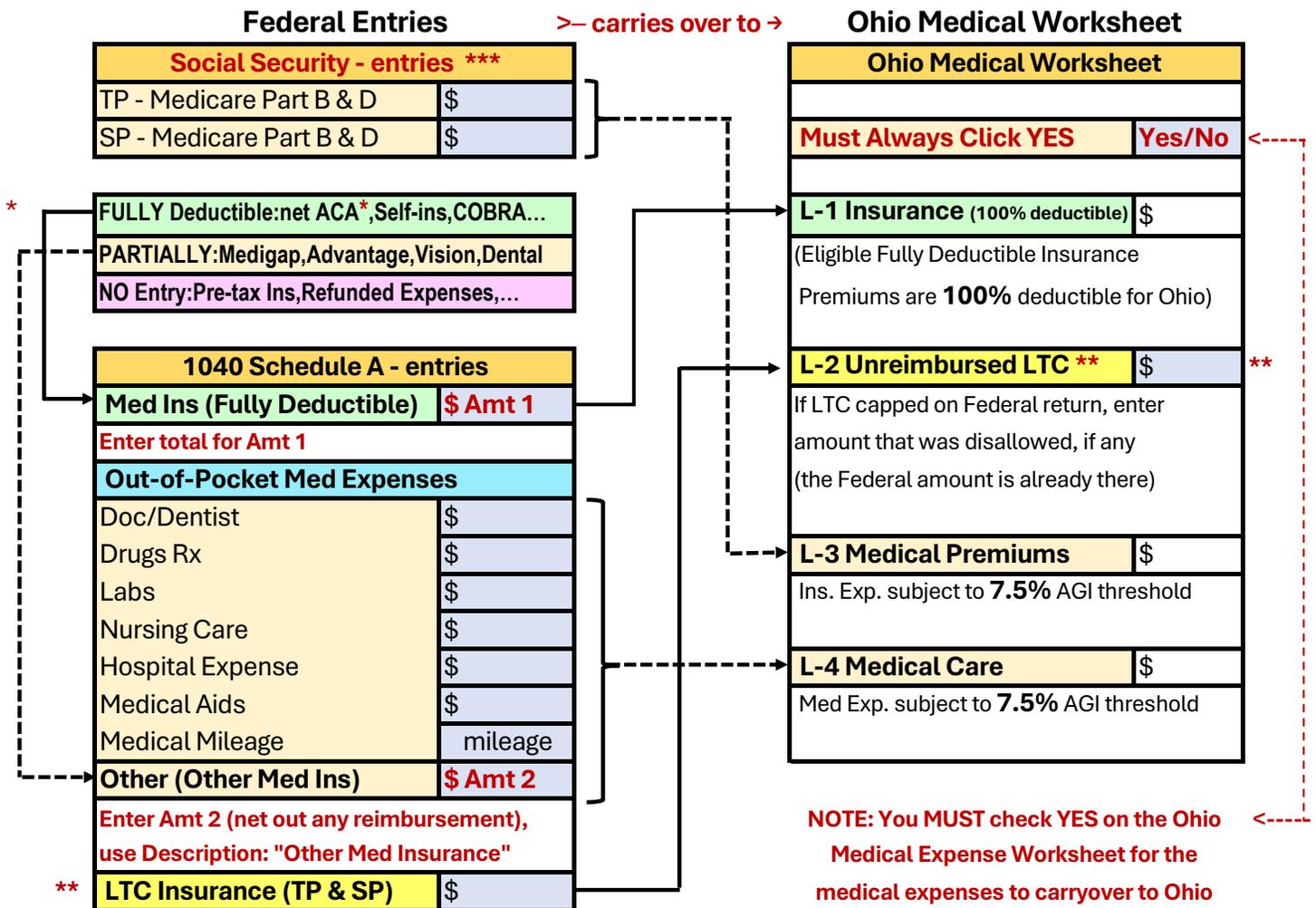
\$ Amt 1 FULLY Deductible Ins Premiums total (COBRA, net ACA amounts, Self-insurance, etc)

\$ Amt 2 PARTIALLY Deductible Ins Premiums total (Medicare Advantage, Medigap, Dental, Vision, etc)

2. Enter these 2 amounts on the lines shown below on Schedule A (call it the "Two Bucket Method");

Following these steps to enter **Amt 1 & Amt 2** eliminates manual insurance adjustments on the Ohio Return

Data Entry This box indicates Data Entry fields where counselors need to enter Federal and Ohio amounts



* Note: ACA "NET" cost = cost to taxpayer shown on 1095-A, then add or subtract any PTC adjustment

'[ACA NET COST FORMULA: [1095(A) - 1095(C) + 1040 Sch 2 Line 1a - 1040 Sch 3 Line 9]

** Note: If LTC was capped on Schedule A, then enter the amount that was disallowed on Line 2 of Ohio Worksheet

*** Note: If Medicare was paid "out of pocket" (not on an SSA-1099 Form), then it is entered in "Other Medical"

Caveat 1: Only include any insurance premiums not deducted in Federal for PSO or Self-employment; If only partial Medicare premiums are used for PSO or Self-employment, enter any excess unused premiums on Schedule A in the "Other" field, and enter \$0 on the SSA-1099 screen in the Medicare Premiums field

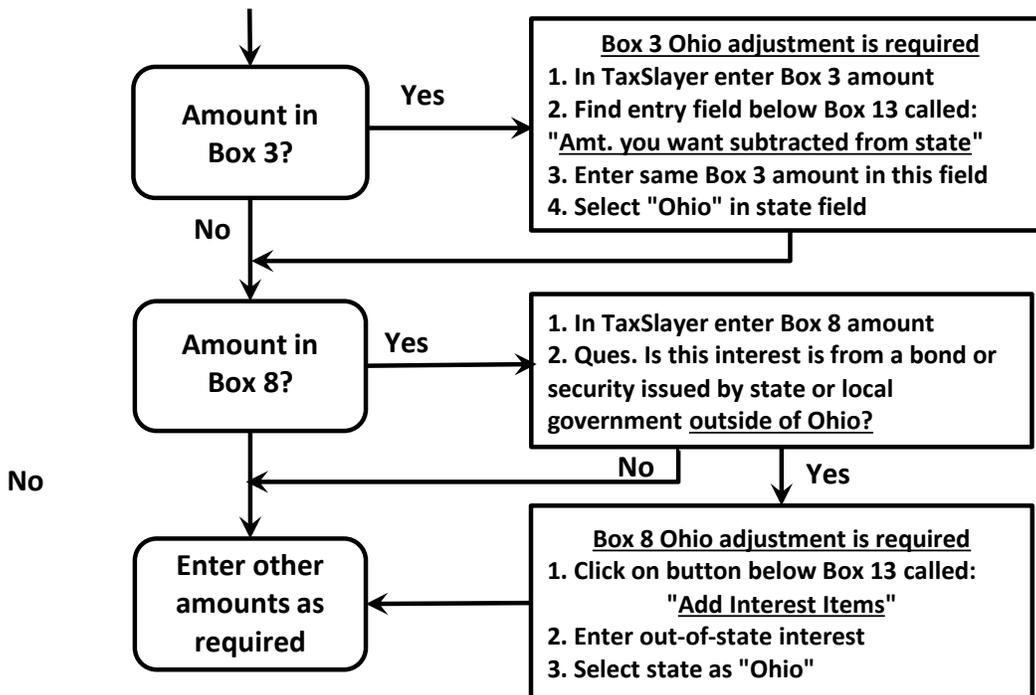
Caveat 2: (Rare) When Self-employment profit is less than the insurance deduction, TSO puts excess into the first line of Fed Sched A Medical; if this is a PARTIALLY, in OH Med Worksheet, subtract from Line 1, add to Line 4

FEDERAL - INTEREST and DIVIDEND ADJUSTMENTS - for OHIO

| Type of Interest / Dividends | Reported on | Taxable Federal? | Taxable State? | Additional TaxSlayer entry? |
|---|--------------------------------------|------------------|----------------|--|
| Bank accounts, CD's, Corporate bonds | 1099-INT Box 1 | Yes | Yes | No |
| U.S. Gov. Obligations: Savings bonds, Treasury bonds/bills/notes | 1099-INT Box 3 | Yes | No | Yes, adjust in Federal (subtract interest) |
| Ohio State Municipal bonds (in-state) | 1099-INT Box 8 | No | No | No |
| Out-of-State Municipal bonds (NOT Ohio) | 1099-INT Box 8 | No | Yes | Yes, adjust in Federal (add interest) |
| Only US Gov. obligation income included in dividends should be subtracted | 1099-DIV Box 1a (ordinary dividends) | Yes | No | Yes calculate % & adjust (subtract amount) |
| Ohio State Municipal bonds (in-state) | 1099-DIV Box 12 | No | No | No |
| Out-of-State Municipal bonds (NOT Ohio) | 1099-DIV Box 12 | No | Yes | Yes, adjust in Federal (add dividends) |
| Interest adjustment 4012, D16 see Note 13 & 14 Dividend adjustment 4012, D19 see Note 7 & 8 | | | | |

1099-INT - Federal Adjustments

(See NTTC 4012 D-16 notes 13 & 14)



1099-DIV - Adjustments

(See NTTC 4012, D-19 notes 7 & 8)

1. If Box 1a includes any Federal bond dividend interest, an adjustment is required. Look at last pages in brokerage statement to determine amount subtracted from Ohio, this is often listed as a percentage.
2. If Box 12 includes dividends paid by a state government outside of Ohio, an adjustment is required. Use the brokerage statement to determine the adjustment amount to be added to Ohio.

OHIO SCHEDULE OF BUSINESS INCOME DEDUCTION

Ohio Rule:

Taxpayers can deduct the first \$250,000 if filing MFJ, or \$125,000 if filing MFS, of their business income included in their federal adjusted gross income. Any taxpayer who completes a Federal 1040 Schedule C or E is entitled to this deduction subject to the requirements below.

Requirements:

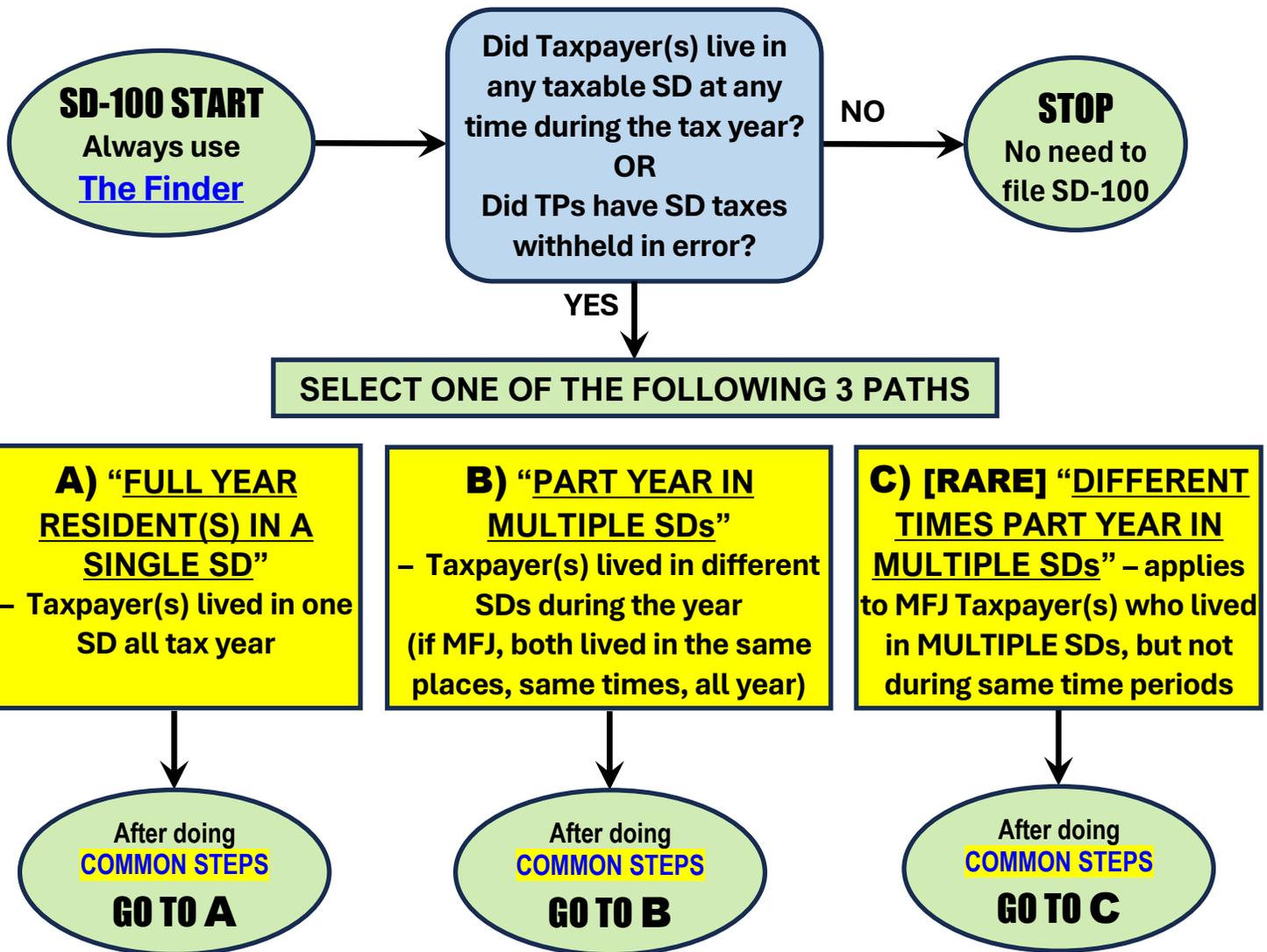
- The taxpayer must have **materially participated** in the business*
- The income is the result of business activity in Ohio and is included in federal AGI
- Income generated from normal business activities reported on schedules B and D can be deducted
- Rental income for occasional renting of property is **not** considered business income for purposes of this deduction
- Royalty income received for the usage of land for mineral rights is **not** considered business income for purposes of this deduction.
- Royalty income can be deducted only if the taxpayer materially participated in the business or the income was received as a result of self-employment (actors, writers, singers, etc.)
- See 2024 Ohio IT 1040 Instructions, page 11 for detailed examples of business and non-business income.

TaxSlayer entry instructions:

1. Complete a Federal Schedule C for each business entity (business loss is out of scope)
2. Navigate to the State Section and open the Ohio State return
3. Select “Miscellaneous Forms”
4. Select form “Ohio Schedule of Business Income” (previously called IT BUS)
5. Select “Add New” (for Business Entity 1) and enter the following:
 - a. Business name and EIN do not need to be entered
 - b. Enter 100% for ownership
 - c. Enter net Business Income from Federal Schedule C (Fed 1040 Schedule 1 line 3; a loss is out of scope) and any qualified business income from Schedules B and D.
6. If there are additional Federal Schedule C or Schedule E forms, that qualify as business income, complete steps 1-5 for each additional business entity.
7. Ohio Business Income Deduction is automatically calculated by TaxSlayer and will appear on Ohio Schedule of Adjustments line 13.

* Income from certain “pass-through” entities may qualify for the deduction but typically the K-1 reporting for such businesses is out of scope for Tax-Aide

OHIO SD-100 SCHOOL DISTRICT TAX



COMMON STEPS

- ❖ **1st** – Do **FEDERAL** entries for W-2s & 1099-Rs – do not enter “SD” prefix, only enter 4-digit SD code
 - *Special case “E” Type ONLY for Full Year Residents who had NO SD tax withheld* – FLAG this income as taxable SD income by entering the income, EIN, and SD Code#, but no withholding

- ❖ **2nd** - Do **OHIO** tax return first before the SD-100 to capture adjustments which impact the OH MAGI

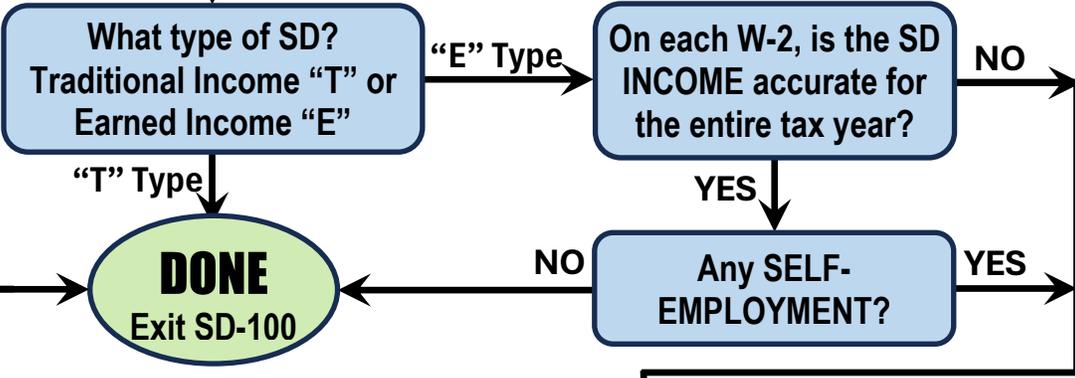
SD-100 STEPS: on the Ohio Main Page - Click “Localities”, scroll to bottom to find “Form SD-100”:

- 1.** In SD-100, click on “Resident” for the State of Ohio (only option)
- 2.** BEGIN to “Select County Lived in for the Majority of 20xx”, identify County, CONTINUE

A

STEPS "FULL YEAR RESIDENT(S) IN A SINGLE SD"

- BEGIN "School District Information" for the School District
Best practice – Select SD by first selecting County, then select the SD within that county
- BEGIN "School District Residency Status"
 - "Residency Status for the School District" – Select Resident
 - IF MFJ, when asked "Whom Status applies to" – Select Both; Otherwise, Select Taxpayer



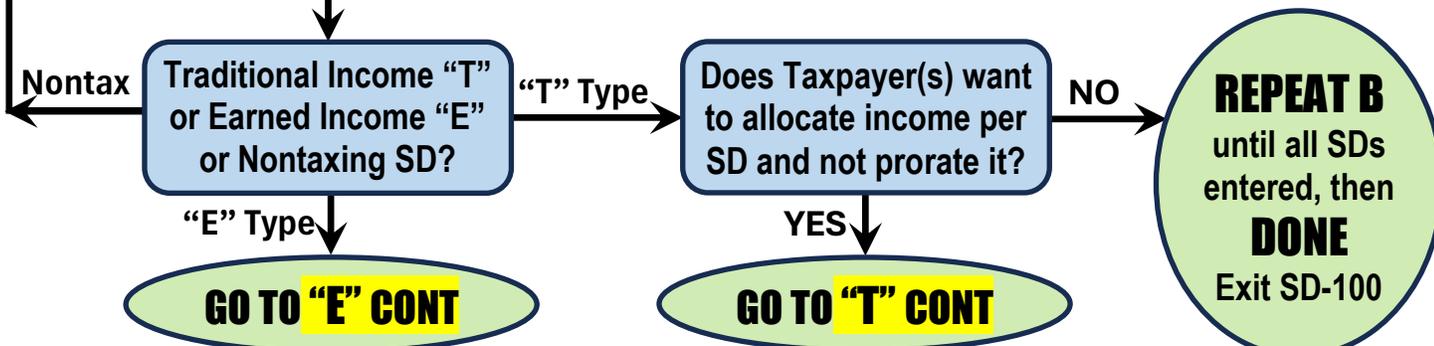
STEPS "E" EARNED INCOME ADJUSTING INCOME– all fields are **VERRIDE fields**

- BEGIN "Earned Income Tax Base"
 - "Enter Wages & Salaries" – IF need to correct W-2s, enter TOTAL correct SD income
 - "Self-Employment Income While a Resident", IF any – TSO suggests an amount to enter in an orange strip below the data entry field (Fed 1040, Sch 1, Line 3)

B

STEPS "PART YEAR RESIDENT(S) IN MULTIPLE SDs", TP(s) lived in different places
 NOTE: For Part Year **NONTAXING SDs**, just enter residency information, not any income

- BEGIN "School District Information" for one specific School District
 - Best practice* – Select SD by first selecting County, then select the SD within that county
- BEGIN "School District Residency Status"
 - "Residency Status for the School District" – Select Part Year
 - IF MFJ, then asked "Whom Status applies to" – Select Both; Otherwise, Select Taxpayer
 - Enter Beginning Residency Date and Ending Residency Date
 - Special case if lived outside of Ohio, select next "School District Residency Status", select Nonresident, select "Whom Status applies to", enter Begin and End non-residency dates





STEPS "E" EARNED INCOME ADJUSTING INCOME– all fields **OVERRIDE** fields

5. BEGIN "Earned Income Tax Base" for this one specific School District

a) "Enter Wages & Salaries" – IF need to **correct** W-2s, enter TOTAL correct SD income; OR, IF need to **allocate** SD income, enter TOTAL correct SD income

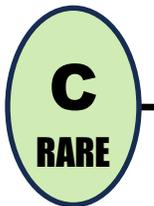
b) "Self-Employment Income While a Resident", IF any – TSO suggests an amount in orange strip below data entry field (Fed 1040, Sch 1, Line 3)



STEPS "T" TRADITIONAL ADJUSTING INCOME– an **OVERRIDE** field

5. BEGIN "School District Taxable Income" for this one specific "T" SD; Enter "OVERRIDE of calculated MAGI less exemptions" – If the TP/SP **choose to allocate their income** over residency periods and not use TSO's prorated amount, **or Line 5 is incorrect**, then enter the TOTAL tax base amount for this residency period

REPEAT B
until all SDs entered, then
DONE
Exit SD-100



STEPS [RARE] "DIFFERENT TIMES PART YEAR RESIDENTS IN MULTIPLE SDs" MFJ ONLY, where TPs did not reside together at the same time in SDs

- 3.** Do ONLY **STEP 3** in the **B** section and return here to do **STEP 4**
- 4.** BEGIN "School District Residency Status" – enter both TP & SP separately in same SD record
 - a)** "Residency Status for the School District" – Select Part Year
 - b)** "Whom Status applies to" – **Select Taxpayer**, enter Beginning Date and Ending Date
 - c)** Drop below to next field of "Residency Status for the School District" – Select Part Year
 - d)** "Whom Status applies to" – **Select Spouse**, enter Beginning Date and Ending Date

REPEAT C STEPS 3 & 4 until all SD Residencies done, but **DO NO Income Adjustments**, then return here to do Income Adjustments for EACH SD as follows on **Taxing SDs only**:

- 5.** Exit SD-100 back to Ohio Home Page, "print" the PDF, and capture info from the SD-100's PDF
 - a)** "E" Earned Income Type, on Page 1 – Residency Factor ("**RF**") by SD for each TP & SP; **Line 3** (OH MAGI), L31 (Wages, if accurate on SD-100), Self-Employ (Fed 1040, Sch 1, Line 3)
 - b)** "T" Traditional Type – Page 1 "**RF**" by SD for each TP & SP and **L5** (OH MAGI less exempt)
- 6.** For "T" Type, adjust income by BEGIN "School District Taxable Income", enter calculation into "**OVERRIDE of calculated MAGI less Exempt**" = $[TP's(RF * Line 5) + SP's(RF * Line 5)] \div 2$
- 7.** For "E" Type, adjust income by BEGIN "Earned Income Tax Base", enter formula calculations
 - a)** **WAGES** = $TP's(RF * W-2s \text{ Income}) + SP's(RF * W-2s \text{ Income})$, enter this amount
 - b)** **SELF-EMPLOY** = $TP's(RF * \text{Self-Employ}) + SP's(RF * \text{Self-Employ})$, enter this amount
 - c)** **OH MAGI** = $[TP's(RF * OH \text{ MAGI Line } 3) + SP's(RF * OH \text{ MAGI Line } 3)] \div 2$, enter this amt

REPEAT C STEPS 5, 6 & 7 until all SD Income Adjustments are done

DONE
Exit SD-100

OHIO RESIDENT WITH OTHER STATE WITHHOLDING

Ohio Rule:

Many Ohio residents work in other states. Due to reciprocity agreements, the employer in the “other state” is to withhold Ohio state taxes, not the “other state” taxes. Ohio has reciprocity agreements with IN, KY, MI, PA, and WV. If the “other state” employer mistakenly withholds “other state” taxes for an Ohio resident, the taxpayer is due a refund of these incorrectly withheld taxes. In that case, the taxpayer has most likely been under withheld in Ohio and may have a significant amount of tax due to Ohio.

Guidelines:

Complete the Federal & Ohio return for the taxpayer. Ensure that you do not include “other state” withholding as OH withholding on the W-2 screen. Show the “other state” withholding with the “other state” code.

TaxSlayer entry instructions:

1. State Section:

“Add Another State Return”, choose the “other state”, continue
Select non-resident, continue

2. Basic Information:

Residency Status = Reciprocal State Resident
State of Residency = Ohio

3. “Other State” specific information:

If “Other State” = IN

1. Enter Basic Information (first 4 yes/no questions), then scroll to bottom to enter “Other State #1”, choose Ohio residency, choose filed Ohio return, enter full-year Ohio residency dates, continue
2. Enter County Information, choose Ohio residency, choose county where taxpayer worked
3. Choose Indiana Reciprocal Return IT-40RNR, choose yes, full year resident of a reciprocal state, choose Ohio, continue, continue
4. Exit IN return
5. A form IT-40RNR will be generated and must be e-filed.

If “Other State” = KY

1. Begin form 740-NP-R Nonresident Reciprocal State Return, choose taxpayer/spouse (if applicable, one form each), choose nonresident all year, choose yes for wages only, continue, continue
2. Exit KY return
3. The form 740-NP-R will be generated (one for each spouse if applicable). Single/HoH/MFS can be e-filed. If a 740-NP-R is required for both taxpayer and spouse filing MFJ, the forms must be paper filed.

OHIO RESIDENT WITH OTHER STATE WITHHOLDING

If “Other State” = MI

1. Begin Residents of Reciprocal States, enter MI wages using a neg. sign, continue
2. Exit MI return
3. The forms MI-1040, Sch W, Sch 1, and Sch NR are generated and must be e-filed.

If “Other State” = PA

1. If the taxpayer (TP) is a resident of a reciprocal state working in Pennsylvania and the employer withheld PA income tax, you may request a refund of the PA withholding by paper filing a PA-40.
2. Under Adjustments to Income, select Reciprocal State Wage Adjustment.
3. Enter reciprocal state wages (W2 wages with PA withholding) as a negative.
4. Submit a legible photocopy of the TPs Form W-2, a copy of the Ohio income tax return that you filed (without the supporting forms and schedules), and a statement explaining that the TP is a resident of a reciprocal state. The return must be paper filed.

If “Other State” = WV

1. Choose Basic Information
2. Important! Go directly to “Special Nonresident Income for Reciprocal States...”
3. Choose Yes for reciprocal state
4. Choose OH, continue
5. Exit WV return
6. The forms IT-140, Sch M, and Sch A are generated and must be e-filed.

Filing the Return:

Proceed to e-file the Federal, Ohio & “other state” returns as normal.

For PA filers: Make 2 copies of the return and explain to the taxpayer how/where to mail it in.

For KY filers: If filing MFJ and filing two 740-NP-R forms, they must be paper filed.

NOTES

- 1) The local coordinator or ERO may need to ensure that “other state” non-resident form(s) has been added to your custom print set.
- 2) Advise the taxpayer to go immediately to the company’s payroll/HR department to ensure their employer begins withholding OH state taxes, and no longer withholds “other state” taxes.
- 3) The state taxes withheld by these reciprocal states are refundable, but county tax and local taxes are not refundable.

MFS VS. MFJ ASSESSMENT

Issue:

Some taxpayers choose to file MFS for a variety of reasons despite the financial penalty that may come with this filing status. However, there is a group of taxpayers who are accustomed to filing MFJ but who could benefit significantly changing to MFS. To correctly assess the impact, calculations are required which consider the combined impact on federal and state taxes as well as the possible impact on future Medicare premiums for higher income taxpayers.

How to make an assessment:

The most accurate approach would be to do an MFJ return and then the MFS returns in TSO and compare the net results. However, this is time consuming work and will create “dead” returns in TaxSlayer depending on what the taxpayer chooses to do.

First screening: During the intake process, look for some or all the following characteristics which may support a MFS filing.

- Taxpayers understand it's a combined net benefit – one spouse may pay more while the other pays less total tax
- Taxpayers can agree on splitting dependents
- Both spouses have wage or retirement incomes near \$15K or greater and there is not a very large difference in their separate incomes
- Taxpayers will take the standard deduction
- Taxpayers do not have SS income or if they have SS income, their other income will make most of the SS taxable
- One spouse has high medical expenses
- Taxpayers will not take tax credits or deductions limited or disallowed by MFS
- Taxpayers do not have large Ohio deductions such as military retirement, disability or survivorship that represents most of their income
- For high income taxpayers: they do not have large capital gains or individual incomes MAGI > \$103K (Medicare IRMAA)

See analysis and instructions on next page

MFS VS. MFJ ASSESSMENT

Initial analysis: A tool valid for only TY2024 is located at <http://1040support.net/> (select “OH MFJ/MFS Comparison”) to calculate the combined federal and state tax impact of a MFS filing.

1. Open the tool using the link above and note the “Instructions” and “Ohio Quick Start” buttons at the top. The “Instructions” will provide a list of MFS disadvantages that can support the screening criteria above.
2. Open the “Ohio Quick Start” menu and enter the major income sources for both spouses and click “Submit.” Check the small box next to IRA or pension income if that income is eligible for the Ohio Retirement Income Credit.
3. At the top of the federal estimator (CRT Estimated Tax Worksheet), check the appropriate age boxes, number of dependents, dependents eligible for EIC and/or the Child Tax Credit.
4. The calculator will be pre-populated with the data entered in step 2. If no further refinement is needed, scroll to the bottom of the Ohio Tax Calculator where the net impact of MFJ vs. MFS filing will be shown.
5. Significantly more detail regarding the taxpayers situation can be entered in the both the federal and Ohio calculators in the open boxes for a more accurate assessment if required. Do not enter taxes withheld or paid to save time. The goal is to compare total tax, not refunds.
6. Discuss the results with the taxpayers and determine their interest in pursuing the MFS option further including the possibility that an additional appointment(s) may be needed to complete all the returns. Also advise a site leader of the return’s status if it cannot be completed during the current appointment.

Final returns: Complete the two MFS returns in TSO to confirm results and file as usual with the taxpayers’ agreement.

OHIO PART-YEAR RESIDENT

ISSUE: Tax returns for part-year residents of Ohio are infrequently encountered at our sites but are in scope and can be complex. TSO's ability to allocate income, adjustments and deductions for part-year situations is limited. The "Resident Credit" is used for Ohio full-year residents who earned and were taxed on income outside of Ohio and not for part-year resident situations.

OHIO RULE: Ohio taxes part-year residents based on the same effective tax rate they would pay had they lived in Ohio all year. Ohio calculates tax on total income and then calculates a part-year resident credit which is subtracted from the total tax calculated on taxable income. The credit is calculated by allocating income and deductions as Ohio vs. non-Ohio and entered on Ohio Schedule of Credits lines 37. It is incorrect to calculate part-year resident Ohio tax based on a Ohio return which considers only Ohio sourced income.

TAX SLAYER INSTRUCTIONS:

1. Complete the Federal return
2. Delete the existing Ohio return and add a new Ohio return so you can select the Part-Year resident option.
3. Enter basic Information
 - a. County, school district and address verification
 - b. Residency Status – Part-year for both taxpayer and spouse if applicable
 - c. Beginning and ending dates of Ohio residency for the tax year
 - d. Resident state (before/after Ohio)
4. The tax return for the non-Ohio state in which the taxpayer was also a part-year resident is OOS. The preparation of the non-Ohio return can be referred to the STAP program depending on your district guidelines.
5. Complete the Ohio return as though the taxpayer had lived in Ohio all year.
6. Interview the taxpayer to identify what income and adjustments were received in which state of residency. The worksheet below can be used to collect the necessary data prior to entering in TSO. The worksheet is tailored to typical Tax-Aide clients. Any reasonable allocation method is acceptable. Ohio requires that income and adjustments are allocated to Ohio if they were accrued or paid while a resident of Ohio. Often, an allocation prorated based on residency time is acceptable. TSO will generate a form IT NRC which will show the allocations and calculate the credit. See Ohio instructions page 35 for more detailed allocation information.
7. To enter data in TSO, select **Nonresident Credit Calculation** from the **Credits** menu on the main Ohio screen. Enter the applicable amounts from worksheet lines 1-14 to the corresponding lines in Parts A and B of the TSO input screen. Some entries require just the Ohio amount, and some ask for both the federal amount (from federal 1040) and the Ohio amount.
8. In the boxes labeled **List of Additions** and **List of Deductions** in Part A, enter text describing the entries made on lines 7 and 8 of the worksheet. It is not possible to make numerical entries at this time.
9. Confirm that the credit percentage calculated on line 19 of the IT NRC generated by TSO looks reasonable based on your understanding of the taxpayer's residency status. For example, if the taxpayer lived in Ohio for 9 months, the non-resident credit on line 19 should be about 25% if their income was evenly distributed through the year.

10. If the taxpayer lives in a taxing SD, a part-year SD return is also required. In the SD 100 **School District Information**, select “Part-Year” and enter the residency information on the **Residency Status** screen. A separate SD entry is needed using district code 9999 for the dates of residency outside of Ohio. See QTR section F1 for more information on creating SD returns and making part-year income adjustments.

ALLOCATION WORKSHEET:

Ohio IT NRC Worksheet For Part-Year Ohio Tax-Aide Clients
(Refer to QTR I - Ohio Part-Year Resident for additional instructions)

TP Name: _____

Tax Year: 2024

| | <u>Line</u> | <u>OH IT NRC Line Description</u> | <u>Source</u> | <u>(A) Federal Amt.</u> | <u>(B) Ohio Amt.</u> | |
|--------------------|-------------|--|---|---|--------------------------|------------------|
| Part A | 1 | Wages (Earned income) | Fed>1040>line 1z | | | |
| | 2 | Capital gains (loss) income | Fed>1040>line 7 | | | |
| | 3 | Rent and royalty income | Fed>Sch 1>line 5 | | | |
| | 4 | Lottery and casino (gambling) winnings | Fed>Sch 1>line 8b | | | |
| | 7 | Net additions from OH Sch of Adj. | OH>Sch of Adj.>line 1 & 10 | Non-OH Int/Div | N/A | Enter Adj. Names |
| | 8 | Net deductions from OH Sch of Adj. | OH>Sch of Adj.>line 36 | OH 529 (College Adv. Plan) | N/A | Enter Adj. Names |
| | | | OH>Sch of Adj.>line 38 | Educator Exp. | N/A | Enter Adj. Names |
| | | | OH>Sch of Adj.>line 43 | Med. Expense | N/A | Enter Adj. Names |
| Part B | 10 | Interest & dividend income | Fed>1040>line 2b Minus OH>Sch of Adj.>line 25 | Fed. Interest Minus Exempt Fed. Interest | | |
| | | | Fed>1040>line 3b Minus OH>Sch of Adj.>line 25 | Fed. Div. Minus State Exempt Fed. Div. | | |
| | 11 | Pensions, annuities & IRA income | Fed>1040>line 4b + 5b Minus OH>Sch of Adj.>lines 17, 33, 41, 42 | Fed. Ret. Income Minus RR, Mil., Disability, Survivor | | |
| | 12 | Unemployment compensation | Fed>Sch 1>line 7 | | | |
| | 13 | Other nonbusiness income | Fed>Sch 1>line 2a | Alimony Received | | |
| | | | Fed>Sch 1>line 8Z minus 8b | Other Income Minus Gambling | | |
| | 14 | Deductions included in Federal AGI | Fed>Sch 1>line 11 | Educator Exp. | | |
| | | | Fed>Sch 1>line 13 | HSA | | |
| | | | Fed>Sch 1>line 15 | SE Tax Ded. | | |
| | | | Fed>Sch 1>line 17 | SE Ins. Ded. | | |
| | | | Fed>Sch 1>line 18 | Early With. | | |
| | | | Fed>Sch 1>line 19a | Alimony Paid | | |
| | | | Fed>Sch 1>line 20 | IRA Ded. | | |
| | | | Fed>Sch 1>line 21 | Student Loan Int. | | |
| Fed>Sch 1>line 24a | Jury Repaid | | | | | |

AMENDED RETURNS

RESTRICTIONS/CRITERIA:

1. To file for a refund, the 1040X must be filed within three years after the date of the original return.
2. The amended return must be completed in the TSO software of tax year of the original return.
3. If the return to be amended is for the current year, do not file the amended return until the current year return has been processed by the IRS (received refund, TP's IRS account, "Where's My Refund?"). If the amended return has a balance due, file by the due date even if the original return has not been processed.
4. A copy of the original return and any subsequent amendments must be available as well as the tax documents that necessitate amending the return. In TSO, a copy of the originally filed return prior to the amendment can be found in the Federal Transmission Data in "Client Status."
5. Do not amend a return where the IRS has sent the TP a notice – follow the directions in the IRS letter.
6. TSO can e-file some amended returns for the current or two prior tax periods. The SSN must match a previously accepted e-filed return (including non-TSO). Check TSO for Ohio e-file capability.
7. Amended returns must be paper filed if:
 - The original return for the current tax year was paper filed
 - The taxpayer or spouse SSN is different than the one on the original return
 - The original return was filed by a surviving spouse
 - Responding to an IRS notice and including changes not included in the notice
8. Direct deposit and debit are available for tax years 2021 and later for e-filed federal amended returns

A. FEDERAL AMENDED RETURN: If the original return was accepted in TSO and the TP returns to the site that prepared the original return:

1. Select **20XX Amended Return**
2. Begin **Original Federal Return Information** and verify that all the information listed matches what is on the accepted return including amount paid/refunded. Use the "Where is this located?" link to verify the correct value for each box even if the box is pre-filled. If the taxpayer is not adding or removing an exemption (dependent) uncheck the last box.
3. Open the original return and make necessary updates to the Federal return by entering them in the same screens that were used to prepare the original return.
4. Select Explain Changes and enter the form 1040-line number for each item you are changing and give the reason for the change.

B. OH AMENDED RETURN:

1. Complete steps in section A above or if only amending OH, complete step A1
2. Select **20XX Amended Return** and select **Amend State Return**
3. In the **Amended State Return** screen - **Amend State**.
4. In the **OH Return** screen - **Amended Return** (at the very bottom)

AMENDED RETURNS

5. In the **OH Return - Amended Return** screen - Yes from the pull-down menu and click Begin in the **Review and Complete Amended Return** section.
6. In the **OH Return Review and Complete Amended Return** screen make the requested entries
7. In the **Explanation of Changes** section - **Begin** to get to the **State Return Explanation of Changes** screen. Select reason(s) for amending from the pull-down menu and in the Explanation of Changes box type in the explanation of changes
8. Return to the main **OH Return** screen.
9. If manual adjustments are needed for OH, select the appropriate topic on the **OH Return** screen and complete adjustments by entering them into the same screens that were used to prepare the original return. If the Federal return was also amended, TSO will automatically carryover to the OH amended return most changes in income and deductions but review carefully to ensure all changes to the OH return are entered. Exit Ohio Return.

C. OHIO SCHOOL DISTRICT AMENDED RETURN:

1. Complete amended return for Federal and OH if needed
2. Navigate to the **OH State Return** screen and select **Localities**
3. Select the **Ohio SD-100** screen select edit **OHSD100**
4. At the bottom of the **Ohio SD 100 Return** screen select **Amended Form SD-100**
5. In the **Ohio Amended SD-100** – Click Yes and make the requested entries
6. In the **Explanation of Changes** - select reason(s) for amending from the pull-down menu and in the Explanation of Changes box enter the reason for the change.
7. Navigate to the main **Ohio Return** screen.
8. When finished with entries, exit **Ohio Return**.

D. IF THE ORIGINAL RETURN WAS IN TSO BUT NOT E-FILED:

1. Open the original return and make necessary updates to the Federal return by entering them into the same screens that were used to prepare the original return.
2. Select **20XX Amended Return**
3. Begin **Original Federal Return Information** and enter all the information on the accepted return including amount paid. Use the “Where is this located?” link to find the correct value for each box.
4. Select **Explain Changes** and enter the form 1040-line number for each item you are changing and give the reason for the change.

E. IF THE ORIGINAL RETURN IS NOT IN TSO, A NEW RETURN MUST BE CREATED IN TSO TO COMPLETE AN AMENDMENT

1. Start a new return and complete it by making all the required entries using the revised/current data in the Federal return as you would for any other new return. (**Do not recreate the original as-filed return**). When the Federal section is completed, complete the OH return as if it was being created from scratch. The taxpayer must provide all the necessary tax documents and have printouts of the original return and any prior amendments.
2. Select **20XX Amended Return**
3. Begin **Original Federal Return Information** and manually enter information from the as-filed return that is provided by the TP. Use the “Where is this located?” link to find the correct value for each box. Don’t forget to verify the number of dependents on the as-filed return.

AMENDED RETURNS

4. Select **Explain Changes** - enter the form 1040 line number for each item you are changing and give the reason for the change.
5. If an Amended OH return is needed, from the 20XX Amended Return screen, follow steps B2 through B9 above.

F. REVIEWING, PRINTING and MAILING or E-FILING:

From the **20XX Amended Return** section, select **Print Amended Return**. On the 1040X .pdf, examine Col A to verify all lines from the original 1040 have transferred; Col B to verify that the amended changes appear on the correct lines of the column and Col C to verify that the amounts on lines changed appear in the correct total amounts. Verify the correct amount overpaid or owed. If there is an OH amended, scroll down the pdf to the OH forms and verify that additions to or subtractions from the Fed AGI and any OH manual changes are correct. Print 3 copies of the amended return (1 to the IRS, 1 to mail to OH and 1 for the TP to keep). There will be lots extra pages to shred. Have the taxpayers sign the 1040X and the OH amended returns.

For Federal by mail: Send in the 1040X and any revised schedules or forms. Attach copies of any new tax documents (W-2s, 1099-Rs, etc.) Do not include copies of the original return. Mail Federal to: Dept. of Treasury, Internal Revenue Service, Ogden, UT 84201-0052. If payment is due, include a check with the 1040X.

For Federal by e-file: If payment is due and direct debit is not selected, mail a check with the printed voucher to the address listed on the voucher. Make sure the amount due shown on the 1040X agrees with the amount shown on the voucher.

For Ohio by mail: Send the entire OH amended return (OH 1040 will now be marked X for amended) and voucher* if needed. Include the Fed 1040X. Do not include the original Federal or OH returns. OH amended returns are mailed to the same address as regular OH returns which is on the bottom of page 2 of the OH 1040.

For Ohio by e-file: If payment is due and direct debit is not selected, mail a check with the printed voucher to the address listed on the voucher. Make sure the amount due shown on the amended IT1040, line 23 agrees with the amount shown on the voucher*.

For Ohio SD: Print 2 copies of the 3 page amended OH SD-100 returns (1 to mail and 1 for the TP to keep). Have the taxpayers sign the amended OH SD-100 form. Have the TP to send in the 3 pages of the OH SD-100 (and voucher* if needed), which is now marked amended. Do not include copies of the original Federal or OH returns. OH SD-100 amended returns are mailed to the address shown on the bottom right corner of page 2 of the amended SD-100.

G. DELETING AN AMENDED RETURN:

Go to the **20XX Amended Return** menu and select **Delete Amended Return**.

*If the amount of payment shown on the voucher is not correct, do not manually overwrite the dollar amount because the bar code printed on the voucher also contains the payment due amount. Either correct the return to generate the correct voucher or print a blank voucher and manually enter the necessary information.