



Ohio Municipal Net Profit Tax

General Information

Ohio

Department of
Taxation

tax.ohio.gov

Ohio Municipal Net Profit Tax (MNP)

General Instructions and Information for Taxpayers

The enactment of Amended Substitute House Bill 49 (132nd General Assembly) provides business taxpayers the option, beginning with the 2018 tax year, to file one municipal net profit tax return through the Ohio Business Gateway for processing by the Ohio Department of Taxation (the Department). The Department will handle all administrative functions for those centrally-filed returns and will distribute payments to the appropriate municipal corporations. The Department will also handle audits, and appeals.

Currently, businesses are required to file separate returns with each municipal corporation in which they conduct business.

Registration (Opt-in) for Taxpayers

Taxpayers that choose to file with the Department must make an election on or before the first day of the third month of their taxable year. For example, taxpayers that operate on a calendar year basis are required to opt-in to file with the commissioner on or before March 1st of the taxable year they intend to file with the Department. In making the election, the taxpayer must register with the Department and notify all municipal corporations that the taxpayer conducted business in during the previous year. New businesses need only register with the Department. The election will remain in effect until terminated by the taxpayer.

Upon registering with the Department for the municipal net profit tax, the registration applies to all municipal corporations in which you are subject to the municipal net profit tax. Only one return will be filed, with the Department, for all municipal corporations and all payments will be made to the Department.

Taxpayers can make the election to file with the commissioner one of three ways:

1. By submitting a paper registration form – Form MNP-R available at <http://www.tax.ohio.gov/Forms.aspx> beginning October 19, 2017.
2. Through the Department's [registration portal](#) beginning October 19, 2017.
3. Via the Ohio Business Gateway ([the Gateway](#)) beginning February of 2018.

If you register using a paper registration form or through the Department's electronic registration portal, you will receive an account registration confirmation letter containing your account number in February of 2018.

The administration of the tax for periods prior to taxable year 2018 and for periods which the taxpayer has not opted-in with the Department will be handled by the applicable municipal corporations or third-party administrators.

Ineligible Elections

Sole proprietors and disregarded entities are not eligible to opt-in with the Department and should continue to file with the appropriate municipal corporations. A disregarded entity is a single-member limited liability company, a qualifying subchapter S subsidiary, or another entity if the company, subsidiary, or entity is a disregarded entity for federal income tax purposes.

Electronic Filing / Payment

1. Electronic Filing – Municipal net profit taxpayers are required to file each annual tax return and declaration of estimated taxes electronically through the Gateway at www.ohiobusinessgateway.ohio.gov.
2. Electronic Payment – Municipal net profit taxpayers are required to remit each tax payment electronically either by ACH debit through the Gateway or by electronic funds transfer (EFT) through the Ohio Treasurer of State at www.tos.ohio.gov.

Declaration of Estimated Taxes (MNP ES)

Each quarter, taxpayers must submit a declaration of estimated taxes for the current taxable year, unless the estimated annual tax liability is less than two hundred dollars (\$200), in which case no estimated payments are required for that year.

Payments of estimated taxes (the amount a taxpayer reasonably estimates to be the total amount of its tax liabilities to all municipal corporations for the taxable year) for the current taxable year are due as follows:

1. 22.5% must be paid by the fifteenth day of the fourth month of their taxable year.
2. 45% must be paid by the fifteenth day of the sixth month of their taxable year.
3. 67.5% percent must be paid by the fifteenth day of the ninth month of their taxable year.

4. 90% must be paid by the fifteenth day of the twelfth month of their taxable year.

Taxpayers with a short table year must pay 90% of their combined tax liability by the fifteenth day of the twelfth month of their taxable year.

Please see Table 1 to find the applicable due dates based on your fiscal year-end.

If the due date falls on a weekend or holiday, the report or payment is due the next business day.

Any underpayment of estimated taxes can result in interest penalty being added to the tax due. See R.C. 718.88. Any remaining tax due must be remitted on or before the return due date, without extension. The underpayment or late payment of taxes due may result in interest and penalties.

Tax Return (MNP 10)

A taxpayer must file an annual return for each taxable year it has elected to file with the commissioner. Annual tax returns are due on the fifteenth day of the fourth month following the end of the taxpayer's taxable year. See Table 2 for annual return due dates, which are based on your fiscal year-end. A taxpayer may request a 6-month extension of time to file. The extension request will be granted if it is received by the commissioner on or before the due date of the annual return or if the taxpayer has requested an extension for filing the federal income tax return. Please note, this is an extension of time to file not an extension of time to pay.

A taxpayer that is a member of an affiliated group of corporations may elect to file a consolidated tax return for a taxable year if at least one member of the affiliated group filed a consolidated federal income tax return for that taxable year. An election to file a consolidated tax return is binding for a period of five years unless a change in reporting is required under federal law. The election is binding for each subsequent five-year period unless the taxpayer elects to discontinue filing a consolidated tax return on or before the 15th day of the 4th month of the year following the last year of a five-year consolidated tax return election period. The binding five-year period created by an election to file a consolidated return or an election to discontinue filing a consolidated tax return is binding on the Department whether the election was made with the municipal corporation or with the Department. Any elections made with a

municipal corporation carry over to the administration of the tax by the Department. The tax return filed with the Department will allow a taxpayer to file a consolidated return in one municipal corporation and on a separate basis in another municipal corporation. If you wish to pursue this method of filing, please contact the Department prior to registering.

If the three-factor apportionment formula does not fairly represent the extent of your business activity in a municipal corporation, you may request, or the tax commissioner may require, that you use an alternative apportionment method involving separate accounting, the exclusion or inclusion of one or more factors, or a modification of one or more factors. You must request alternative apportionment in writing along with a tax return, timely-filed appeal of an assessment, or timely-filed amended tax return. In the event the Ohio Business Gateway is unable to accommodate your requested alternative apportionment formula, you must file a paper return along with a request detailing your chosen apportionment method and an explanation as to why your method more fairly represents the extent of your business activity in a municipal corporation. If you have a formal or informal agreement regarding alternative apportionment with a municipal corporation, it is not binding on the tax commissioner. You must request alternative apportionment with the filing of your tax return. The tax commissioner will consider each request on a case-by-case basis. If a municipal corporation has agreed to allow the alternative apportionment, that will be a significant factor considered in evaluating the request and documentation of such prior agreements should be provided with the request.

Currently taxpayers are not required to make a payment if the amount of tax due is less than \$10.01 to an individual municipal corporation. The state administered return will look at the total tax liability in all municipal corporations. For example, if \$5.00 is owed to three separate municipal corporations, a \$15.00 payment is required on the annual tax return.

The annual tax return will include a box that the taxpayer may check to authorize another person to communicate with the Department about matters pertaining the tax return. To authorize a representative to communicate with the Department for other matters, the taxpayer may fill out a form

TBOR 1, Declaration of Tax Representative, available at <http://www.tax.ohio.gov/Forms.aspx>.

Refunds (MNP REF)

Taxpayers can request refunds either on the tax return or by using the refund claim form (MNP REF). The form MNP REF can be found on our website at <http://www.tax.ohio.gov/Forms.aspx>.

Refund applications must be filed within three years of the erroneous payment date and do not accrue interest if they are processed within ninety days of the request date.

Assessments

If a taxpayer fails to file a return or pay any tax due in full, the commissioner will send out a delinquency notice and/or bill to cure any deficiency. If a taxpayer fails to resolve the matter at the delinquency or billing stage, the commissioner will issue a notice of assessment to the taxpayer for any deficiency for the period the tax return or payment is due.

If an assessment is not paid in full within sixty days of the day the assessment was issued, it may be certified to the Ohio Attorney General's Office for collection.

Appeals

A taxpayer that disagrees with any portion of a notice of assessment may appeal the assessment by filing a petition for reassessment with the commissioner within sixty days of the date the taxpayer receives the assessment. If the petition has been properly filed, the taxpayer may raise additional objections in writing prior to the final determination date. One of the Department's hearing officers will schedule an informal hearing with the taxpayer and/or the taxpayer's representative, which provides the taxpayer an opportunity to present its arguments against the assessment notice. Hearings may be held in person or via phone. A taxpayer may waive its right to a hearing and may instead provide documentation for consideration.

After the hearing, the commissioner will review all documentation provided and will issue a final determination deciding the matter.

Taxpayers who disagree with a final determination can appeal to the board of tax appeals. To do so, the taxpayer should file a notice of appeal with both the board and the commissioner within sixty days of the date of service of the final determination.

Audit

Any municipal corporation may refer a taxpayer for audit if the municipal corporation has additional information that could result in a change of tax liability. The commissioner will review the referral and may conduct an audit based on that information. Please note, audits are not restricted to referrals from municipal corporations and can be conducted at the discretion of the commissioner.

The commissioner or any authorized agent may examine the books, papers, records, and federal and state income tax returns of any taxpayer filing the municipal net profit tax with the Department by sending a written request to the taxpayer. Taxpayers are required to preserve any records or documents for six years following the end of a taxable year.

Contact Us

More information, including FAQs, can be found on the Department's website at <http://www.tax.ohio.gov/faq.aspx>.

If you are interested in receiving Tax Alerts regarding the municipal net profit tax, please subscribe at <http://www.tax.ohio.gov/ohtaxalert.aspx>.

For questions regarding the municipal net profit tax, please contact the Department at 1-844-238-0403 or via email at MNPTax@tax.state.oh.us.

Table 1

Month of FY End	First Quarter / Annual Return	Second Quarter	Third Quarter	Fourth Quarter
December	April 15	June 15	September 15	December 15
January	May 15	July 15	October 15	January 15
February	June 15	August 15	November 15	February 15
March	July 15	September 15	December 15	March 15
April	August 15	October 15	January 15	April 15
May	September 15	November 15	February 15	May 15
June	October 15	December 15	March 15	June 15
July	November 15	January 15	April 15	July 15
August	December 15	February 15	May 15	August 15
September	January 15	March 15	June 15	September 15
October	February 15	April 15	July 15	October 15
November	March 15	May 15	August 15	November 15

Table 2

Month of FY End	Annual Return
December	April 15
January	May 15
February	June 15
March	July 15
April	August 15
May	September 15
June	October 15
July	November 15
August	December 15
September	January 15
October	February 15
November	March 15



Department of Taxation

P.O. Box 16158
Columbus, OH 43216-6158
Phone: (844) 238-0403
Fax: (206) 666-4462

MNP R
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Municipal Net Profit Tax Registration

(Complete in black or blue ink - do not use pencil.)

FEIN input boxes

FEIN

1. Legal name of entity

2. Trade name or DBA

3. Primary address

Street City State ZIP code

Country (if other than U.S.A.)

4. Mailing address (check box if same as primary)

Street City State ZIP code

Country (if other than U.S.A.)

5. Were you subject to the municipal net profit tax prior to registering with the Ohio Department of Taxation?

If no, list the date your business began operations or became subject to this tax.
(Please do not enter a date prior to January 1, 2018)

6. If you answered yes to the previous question, please complete Schedule A (attached).

7. Type of organization (check only one): Trust C Corporation S Corporation LLC LLP LP General partnership Estate Other

8. Are you an affiliated group of corporations filing a consolidated return?

If yes, list the taxable year of the last election to file a consolidated return in any municipality, if applicable.

Enter the total number of entities, including yourself, and complete Schedule B (attached).

If yes, have you discontinued an election to file a consolidated return in any municipality in the last five years?

9. List the company NAICS code
(For the most current listings, search NAICS on our website at tax.ohio.gov.)

10. First day of the fiscal year for which you elect to file with the Ohio Department of Taxation.
(Please do not enter a date prior to January 1, 2018)

11. Company contact

Name Title Phone no. E-mail address

I hereby declare the above to be true and correct to the best of my knowledge and belief.

Name of applicant or agent (print) Signature Date (MM/DD/YY)

Check the box if you would like for the Ohio Department of Taxation (ODT) to publish the company's name, address, and federal identification number to our website to allow municipal corporations and others to see that you have opted to file with ODT.

Schedule A Schedule of Municipalities

MNP R
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List the municipalities in which you were required to file a municipal net profit tax return in the year preceding your start date with the Ohio Department of Taxation.

Name of Filer _____ FEIN _____
(as shown on page 1, line 1)

List the first four letters of the name of the municipality, JEDD or JEDZ and the code.

	Code	Name		Code	Name		Code	Name		Code	Name
1			38			75			112		
2			39			76			113		
3			40			77			114		
4			41			78			115		
5			42			79			116		
6			43			80			117		
7			44			81			118		
8			45			82			119		
9			46			83			120		
10			47			84			121		
11			48			85			122		
12			49			86			123		
13			50			87			124		
14			51			88			125		
15			52			89			126		
16			53			90			127		
17			54			91			128		
18			55			92			129		
19			56			93			130		
20			57			94			131		
21			58			95			132		
22			59			96			133		
23			60			97			134		
24			61			98			135		
25			62			99			136		
26			63			100			137		
27			64			101			138		
28			65			102			139		
29			66			103			140		
30			67			104			141		
31			68			105			142		
32			69			106			143		
33			70			107			144		
34			71			108			145		
35			72			109			146		
36			73			110			147		
37			74			111			148		

Make additional copies of this schedule as necessary.

Schedule B – Municipal Net Profit Tax Members of a Consolidated Group

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A consolidated election will remain in effect for five years and is automatically renewed unless cancelled. Complete the information below for each member of the consolidated group.

Name of Filer _____ FEIN _____
(as shown on page 1, line 1)

FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country
FEIN	Address	
Member's name	City	State
Trade name or DBA	ZIP code	Country

Make additional copies of this schedule as necessary.



Municipal Net Profit Tax Municipality Notification

Legal name of entity: _____ FEIN: _____

Trade name or DBA: _____

Primary address: _____

Company contact: _____

Name Title Phone No. E-Mail Address

- Check the box next to the municipalities included on your registration filed with the Ohio Department of Taxation. If you file a consolidated return, please write a "C" instead of checking the box next to each municipality.
- Mail a copy of the completed form to all the applicable municipalities.
- Consolidated filers: Please complete page 4 of this form.

Municipality Name	Municipality Name	Municipality Name	Municipality Name
ABERDEEN	BEREA	CAREY	DAYTON
ADA	BERKSHIRE TOWNSHIP JEDD	CARLISLE	DEER PARK
ADDYSTON	BETHEL	CARROLL	DEFIANCE
ADELPHI	BETTSVILLE	CARROLLTON	DEGRAFF
AKRON	BEVERLY	CATAWBA	DELAWARE
ALGER	BEXLEY	CECIL	DELPHOS
ALLIANCE	BLENDON TOWNSHIP JEDZ	CEDARVILLE	DELTA
AMANDA	BLOOMDALE	CELINA	DENNISON
AMBERLEY	BLOOMINGDALE	CENTERBURG	DESLER
AMHERST	BLUE ASH	CENTERVILLE - MONTGOMERY	DOVER
AMSTERDAM	BLUFFTON	CHAGRIN FALLS	DOYLESTOWN
ANDOVER	BOLIVAR	CHARDON	DRESDEN
ANNA	BOSTON HEIGHTS	CHEVIOT	DUBLIN
ANSONIA	BOSTON TWP. / PENINSULA JEDD	CHILlicoTHE	DUNKIRK
ANTWERP	BOTKINS	CINCINNATI	EAST CANTON
APPLE CREEK	BOWERSTON	CIRCLEVILLE	EAST CLEVELAND
ARCANUM	BOWLING GREEN	CIRCLEVILLE PICKAWAY TWP. JEDD	EAST LIVERPOOL
ARCHBOLD	BRADFORD	CLARKSVILLE	EAST PALESTINE
ARLINGTON	BRADNER	CLAY CENTER	EASTLAKE
ARLINGTON HEIGHTS	BRADY LAKE	CLAYTON	EATON
ASHLAND	BRATENAHL	CLAYTON TOWNSHIP JEDD	EATON JEDD
ASHLEY	BRECKSVILLE	CLEVELAND	EDGERTON
ASHTABULA	BREMEN	CLEVELAND HEIGHTS	EDISON
ASHTABULA TOWNSHIP JEDD	BREWSTER	CLINTON	EDON
ASHVILLE	BRICE	CLINTON GRANDVIEW HEIGHTS JEDZ	ELIDA
ATHENS	BRIMFIELD-KENT JEDD	CLYDE	ELMORE
AURORA	BRIMFIELD-TALLMADGE JEDD	COAL GROVE	ELMWOOD PLACE
AUSTIN CENTER JEDD	BROADVIEW HEIGHTS	COLDWATER	ELYRIA
AVON	BROOK PARK	COLUMBIA TOWNSHIP JEDZ	ELYRIA JEDD
AVON LAKE	BROOKLYN	COLUMBIANA	EMERALD PARK
BAINBRIDGE-SOLON JEDD	BROOKLYN HEIGHTS	COLUMBUS	EMPIRE
BALTIC	BROOKVILLE	COLUMBUS GROVE	ENGLEWOOD
BALTIMORE	BRUNSWICK	COMMERCIAL POINT	ETNA JEDZ1 - NORTH
BARBERTON	BRYAN	CONESVILLE	ETNA JEDZ2 - SOUTH
BARNESVILLE	BUCKLAND	CONNEAUT	EUCLID
BATAVIA	BUCYRUS	CONTINENTAL	EVENDALE
BATH-AKRON-FAIRLAWN JEDD	BURTON	CONVOY	FAIRBORN
BAY VILLAGE	BUTLER	COPLEY-AKRON JEDD	FAIRFAX
BEACH CITY	BUTLER COUNTY ANNEX	CORWIN	FAIRFIELD
BEACHWOOD	BUTLER TOWNSHIP JEDD	COSHOCOTON	FAIRLAWN
BEACHWOOD EAST JEDD	BUTLER TOWNSHIP JEDZ	COVENTRY-AKRON JEDD	FAIRPORT HARBOR
BEACHWOOD WEST JEDD	BYESVILLE	COVINGTON	FAIRVIEW PARK
BEAVERDAM	CADIZ	CRESTLINE	FARMERSVILLE
BEDFORD	CAIRO	CRESTON	FAYETTE
BEDFORD HEIGHTS	CAMBRIDGE	CRIDERSVILLE	FELICITY
BELLAIRE	CAMDEN	CROOKSVILLE	FINDLAY
BELLE CENTER	CAMPBELL	CUYAHOGA FALLS	FOREST
BELLEFONTAINE	CANAL FULTON	CUYAHOGA HEIGHTS	FOREST PARK
BELLEVUE	CANAL WINCHESTER	CYGNET	FORT JENNINGS
BELLVILLE	CANFIELD	DALTON	FORT LORAMIE
BELPRE	CANTON	DANVILLE	FORT RECOVERY
BENTLEYVILLE	CARDINGTON	DARBYVILLE	FOSTORIA



Department of Taxation

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MNP MN
Prescribed 12/17

Municipal Net Profit Tax
Municipality Notification

Legal Name: FEIN:

Table with 4 columns: Municipality Name, Municipality Name, Municipality Name, Municipality Name. Lists various municipalities such as Franklin, Frazeysburg, Frederickburg, etc.



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MNP MN
Prescribed 12/17

Municipal Net Profit Tax
Municipality Notification

Legal Name: FEIN:

Table with 4 columns: Municipality Name, Municipality Name, Municipality Name, Municipality Name. Lists various municipalities such as ORANGE CHAGRIN HIGHLANDS JEDD, ROSSFORD-TOLEDO JEDZ, SUNBURY, WEST ELKTON, etc.



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MNP MN
Prescribed 12/17

Municipal Net Profit Tax Municipality Notification for Tax Preparers

Municipality name: _____

Legal name of tax preparer: _____

Primary address (number and street): _____

City: _____ State: _____ ZIP Code: _____

Contact Name: _____ Phone Number: _____ E-Mail Address: _____

The taxpayers listed below have opted-in to file the municipal net profit tax with the Ohio Department of Taxation. If the taxpayer is filing a consolidated return, list the group members' names, FEINs, and the primary group member's FEIN on page 2 of this form.

	Primary Taxpayer FEIN	Primary Taxpayer Name	Taxpayer Address (street, city, state, zip)	Consolidated?
1				
2				
3				
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Authorized preparer's signature _____ Printed name _____ PTIN _____ Date (MM/DD/YY) _____

Please make additional copies of this form as necessary.

