

Client Bulletin



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ness are the highest compli-
ments we could ever receive.

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Use Tax and Business Use Tax Amnesty Program (October 1, 2011 through April 30, 2013)

Since the 1930s, Ohio has had a "use tax" as a companion to the sales tax. Essentially, the use tax is due to the State of Ohio when a purchase is not exempt from sales tax but when the vendor does not collect sales tax on the sale (i.e., a catalog or internet purchase from an out of state vendor). An Ohio business making any purchases that are not exempt from the sales tax and on which purchases the vendor does not collect sales tax is required to register and remit use tax to the Ohio Department of Taxation for taxable purchases of tangible personal property or certain services.

In the past, many Ohio businesses have not registered and paid use tax. The Department of Taxation is stepping up efforts to enforce and collect use tax. The state budget bill contained an amnesty program for the payment of use tax due on purchases made by businesses on or after January 1, 2009. Under this amnesty program, which is in effect from October 1, 2011 through April 30, 2013, businesses not registered for use tax can pay past use tax liability without paying the statutory penalties and interest. For businesses that are not registered (but not for those currently registered) and with use tax liability exceeding \$1,000, a no-interest installment payment plan is available.

More information on this amnesty program is available from the Department of Taxation's website (www.tax.ohio.gov).

General Tax Amnesty Program (May 1, 2012 through June 15, 2012)

From May 1, 2012 through June 15, 2012, there will be available to businesses with overdue tax liabilities on any of the following taxes an amnesty program; commercial activity, sales, gross receipts of a natural gas company or a combined electric and gas company, motor fuel, cigarette or other tobacco products, intangible personal property and employer withholding. The amnesty program also applies to individual taxpayers as to pass-through entity tax (from partnerships, LLCs and S corporations), personal income tax, school district income tax and the estate tax.

Taxpayers can pay previously unreported or under-reported tax delinquencies without the statutory penalty and with only one-half of the statutory interest due and payable through May 1, 2011. The balance due must be paid in full during the amnesty period.

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New Low SBA Loan Rates

In September, the Small Business Administration reduced its SBA 504 Program's interest rates to 4.70% for a 20 year fixed and 3.77% for a 10 year fixed. SBA 504 loans can be used by small businesses to purchase land, buildings or equipment. Some people feel that the paperwork involved with an SBA loan can be daunting, but generally the lower down payment required, the terms of fixed rate loans and the interest rate more than compensate.

**MANOS, MARTIN,
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Andrews House's Christmas Cupboard Raffle Tickets on Sale at Manos, Martin, Pergram & Dietz

Raffle tickets (\$2 per ticket, \$5 for three tickets, \$10 for eight tickets, or \$20 for twenty tickets) for Andrews House's Christmas Cupboard (food, etc., for the needy for the holiday season) are available for purchase from the law firm. Please contact Chris if you are interested in purchasing tickets. Raffle items, the choice of which the purchaser indicates on the completed raffle ticket, include the use of a Scottsdale, Arizona condo, a stained glass eagle, a stained glass nativity, and a package for the Zoombezi Bay water park at The Columbus Zoo and Aquarium.

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www.mmpdlaw.com**

Firm Sponsoring Sunbury/Big Walnut Area Chamber of Commerce's Quarterly Breakfast

The law firm is the sponsor of the Sunbury/Big Walnut Area Chamber of Commerce's Membership and Candidates' Breakfast at 7:30 a.m. on Friday, October 21, at Bent Tree Golf Club.

Notice

This bulletin provides general information and is not legal advice. Please contact us if you need legal advice.

If you have friends or associates who you think would enjoy receiving a copy of this Client Bulletin, please feel free to forward it on. Thank you.