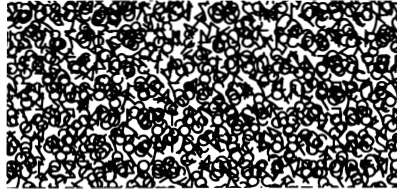


CITY OF ALLIANCE
ADDRESS SERVICE REQUESTED

DEPARTMENT OF TAXATION
504 East Main Street
P.O. Box 2025
Alliance, Ohio 44601
330-821-9190

Prsrt. Std.
U.S. Postage
PAID
Permit #38
Alliance, Ohio
44601

TO:



IMPORTANT MUNICIPAL INCOME TAX RETURN

AVOID PENALTIES - FILE BY APRIL 16, 2007

THIS ENVELOPE CONTAINS REPORT FORMS WHICH YOU ARE **REQUIRED** TO FILE

**** IMPORTANT NOTICE ****

A return must be filed for this year even
if you owe no tax

Failure to file a return will result in an automatic \$25.00 fine.

Extensions must be submitted by April 16, 2007
or by 105 days of the end of fiscal period.

GENERAL INSTRUCTIONS

Based on Alliance Codified Ordinance, Section 181.01 et seq.

WHO MUST FILE A TAX RETURN

(1) Residents of the City of Alliance who have not filed an exemption certificate with the Income Tax Office.

(2) Residents of the City of Alliance age 16 or over who receive salaries, wages, commissions, and other earned income for work done or services performed or rendered from all sources of income.

(3) Resident S corporations, corporations, partnerships and unincorporated businesses.

(4) A credit is allowed to Alliance residents for the income tax paid to another municipality limited to the amount of tax that would have been paid to the City of Alliance.

NON-RESIDENTS: of the City of Alliance, who receive salaries, wages, commissions, and other earned income for work done or services performed or rendered within the City of Alliance, IF NOT COVERED BY A WITHHOLDING PLAN.

(5) Employers - On the portion attributable to the City of Alliance of the net profits earned during the effective period of this ordinance of all resident corporations, unincorporated businesses, professions or other entities, derived from sales made, work done, services performed or rendered and business or other activities conducted in the City of Alliance.

(6) Non-Resident Employers - On the portion attributable to the City of Alliance of the net profits earned during the effective period of this ordinance of all non-resident corporations, unincorporated businesses, professions or other entities, derived from sales made, work done or services performed or rendered and business or other activities conducted in the city of Alliance whether or not such corporations or unincorporated business entities have an office or place of business in the City of Alliance.

RECORDS TO BE MAINTAINED

All taxpayers subject to the Alliance Income Tax shall keep and maintain an accurate record of all information pertinent to their city tax liability. This information shall be kept for five (5) years from the date this return is filed or the withholding taxes are paid.

RENTAL INCOME

(1) Residents having Rental Property located in or outside the City of Alliance must file a tax return. However, the tax is computed on the net income only, after allowance for Depreciation, Real Estate Taxes, Repairs, Insurance, etc.

(2) Non-Residents having Rental Property situated within the City of Alliance must file a tax return. However, the tax is computed on the net income only after allowance for Depreciation, Real Estate Taxes, Repairs, Insurance, etc.

GAMBLING, WAGERING AND LOTTERIES

Income derived from gambling, wagering, lotteries, including the Ohio State Lottery and Multi-state lotteries and games or schemes of chance earned or received by the residents of the City.

EXEMPT INCOME

Pensions, Social Security, Unemployment, Interest, Dividends, Capital Gains, Military Pay, Welfare, Insurance Benefits, Alimony, Child Support, Earnings to those under age 16, are not subject to the tax.

ADJUSTMENTS TO INCOME

Allowable Deductions:

(a) Unreimbursed Employees Business Expenses (Federal Form 2106). When used in actual performance of employment (i.e. Truck Driver, Traveling Salesman). Federal Schedule A must be attached for verification. See instructions on back page of tax form.

Not Allowable Deductions:

(a) Deferred compensation such as 401K, IRA, Keogh and pension plans.

(b) Business or rental loss cannot offset W-2 wages.

ATTACHMENTS ARE REQUIRED TO ALL RETURNS

W-2's - No exceptions

Federal Schedules of income included with return. **The return is not complete and cannot be filed unless this source data is provided.**

TIME AND PLACE FOR FILING

(A) Calendar year taxpayer - file between January 1 and April 16 of this year.

(B) Fiscal year taxpayer - file on or before 105 days after the fiscal year end.

(C) Where to file -

INCOME TAX DEPARTMENT
504 East Main Street
P.O. Box 2025
Alliance, Ohio 44601

EXTENSION OF TIME TO FILE

If you wish to have an extension of time to file, you must do either of the following by April 16, 2007.

(A) Send in a copy of the extension request that was filed with the Internal Revenue Service.

(B) Send in a written request to this office. If you wish confirmation, enclose a self-addressed stamped envelope with the request.

NOTE: An extension grants additional time to file a tax return; it does not extend the time to pay any tax that is due. Payment of such tax should be included with the extension request to ensure approval of such request.

DECLARATION OF ESTIMATED TAX

A declaration of estimated tax must be filed if a local tax of at least 1.75% is not withheld by your employer and/or the tax due exceeds \$100.00. Failure to pay estimated taxes will result in penalty charges. Filing a Declaration of Estimated Tax is not required for those taxpayers whose sole taxable income is local and Alliance City tax is withheld.

CHECK ONE OR MORE: Employee Proprietor Partner Partnership Corporation S Corporation LLC

Calendar Year Taxpayers - File this Return
with Alliance Tax Department
No Later than April 16, 2007
Fiscal Year - File within 105 days of
End of the Period
Fiscal Period _____ to _____

City of Alliance, Ohio
INCOME TAX RETURN
2006

IF PRINTED NAME, SOCIAL SECURITY # OR ADDRESS IS INCORRECT, PLEASE MAKE NECESSARY CHANGES.

RESIDENT NON-RESIDENT
PART YEAR RESIDENT

If you moved during 2006, please answer: Moved
INTO ALLIANCE on _____
OR Moved OUT of ALLIANCE on _____

SOCIAL SECURITY NUMBER
TAXPAYER _____
SPOUSE _____

FEDERAL I.D. NO. (BUSINESS) _____

RETIRED AND TAXPAYERS WITH NO TAXABLE INCOME: REASON (CHECK APPROPRIATE BOX)

ACTIVE DUTY MILITARY _____ RETIRED WITH ONLY NON-TAXABLE INCOME RETIREMENT DATE _____
 TAXPAYER DECEASED _____ ONLY INCOME-FROM NON-TAXABLE SOURCE, LIST SOURCE _____

EMPLOYERS NAME IN 2006	WHERE EMPLOYED IN 2006 (City and State)	TAX PAID TO OTHER CITIES	ALLIANCE TAX WITHHELD	GROSS WAGES

1. GROSS WAGES, SALARIES, TIPS & OTHER COMPENSATION (Attach W-2's and/or 1099 Misc.) \$ _____
 2. OTHER TAXABLE INCOME (from Schedule B on reverse side, Section 4, Line 3) \$ _____
 A. Business Profit (Attach Federal Schedule C)
 B. Rental Income (Attach Federal Schedule E)
 3. DEDUCT EMPLOYEE BUSINESS EXPENSE (Attach Federal Form 2106 and Federal Schedule A) \$ _____
 4. TAXABLE INCOME (Line 1 plus Line 2 less Line 3) \$ _____
 5. CITY TAX DUE - 1.75% of Line 4. \$ _____
 6. CREDITS

A. Alliance Income Tax Withheld by Employers. \$ _____
 B. Income Tax Paid Other Cities [Cannot exceed 1.75% of income earned in each location] \$ _____
 C. Payments on 2006 Declaration of Estimated Tax \$ _____
 D. Amount Brought Forward from 2005 Return \$ _____
 E. Total Credits (Add Line A, B, C, D) \$ _____

7. BALANCE TAX DUE (Line 5 minus Line 6E) \$ _____
 8. RETURNS FILED AFTER APRIL 16, 2007 ARE SUBJECT TO:
 A. LATE FILING FEE OF \$25.00. \$ _____
 B. PENALTY (1% per month) \$ _____ INTEREST (1% per month) \$ _____
 9. TOTAL AMOUNT DUE (line 7 plus line 8A & 8B, if applicable)-PAYMENT IN FULL MUST ACCOMPANY THIS RETURN. \$ _____

Make check or money order payable to:
City of Alliance Income Tax

Mail To: Income Tax Department, P.O. Box 2025,
Alliance, Ohio 44601

10. OVERPAYMENT TO BE REFUNDED \$ _____ OR CREDITED \$ _____ TO NEXT YEAR'S ESTIMATE.

NOTE: NO TAXES OR REFUNDS OF LESS THAN \$1.00 SHALL BE COLLECTED OR REFUNDED.

MANDATORY DECLARATION OF ESTIMATED TAX FOR YEAR 2007

Must be filed if
at least 1.75%
is not withheld
by your
employer and/
or the tax due
exceeds
\$100.00.

1. Total income subject to Alliance \$ _____ 2. Alliance Tax at .0175 \$ _____
 3. LESS TAX WITHHELD
 a. By an Alliance Employer \$ _____
 b. By an employer in _____ (name of city) \$ _____
 c. Total Tax Withheld (Total 3a plus 3b) \$ _____
 4. Balance estimated Alliance tax (2 minus 3c) \$ _____
 5. Less Credits: Overpayment on previous year's return \$ _____
 6. Net Tax due (line 4 less line 5) \$ _____
 7. Amount paid with this Estimate (not less than 1/4 of line 6 if line 6 is \$100 or more) \$ _____

GRAND TOTAL Total of TAX (line 9) and ESTIMATED PAYMENT (line 7) PAY THIS AMOUNT \$ _____

I CERTIFY THAT I HAVE EXAMINED THIS RETURN (INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS) AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE. IF PREPARED BY A PERSON OTHER THAN TAXPAYER, THE DECLARATION IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

Preparer Name If other Than Taxpayer _____ Signature of Taxpayer _____ Date _____
 Signature of Spouse _____ Date _____

ATTACH ALL W-2 COPIES HERE

DISREGARD THIS PAGE IF ENTIRE TAXABLE INCOME IS FROM SALARY AND WAGES

SCHEDULE A EMPLOYEE BUSINESS EXPENSE FEDERAL FORM 2106

NOTE: Alliance recognizes this deduction only when the expense incurred applies to gross earnings that are in the jurisdiction of the city. Example of Alliance Jurisdiction: If your city income tax withheld was paid to the City of Alliance by your employer, or if the city tax on your earnings is due to be paid to the City of Alliance. Must Attach copy of federal schedules, 2106 and Schedule A. Allowable 2106 expenses will be reduced by the appropriate portion of 2% of the tax payer's adjusted gross income.

SCHEDULE B OTHER TAXABLE INCOME

SECTION 1 RENTAL INCOME FROM FEDERAL SCHEDULE E (Attach copy of federal schedule) \$

SECTION 2 PARTNERSHIPS, ESTATES, TRUSTS, WAGERING, LOTTERY, FEES, ETC. \$

Table with 4 columns: Received From, For (Describe), Federal Form(s) Attached, Amount. Includes a total line for SECTION 2.

SECTION 3

1. BUSINESS INCOME \$
2. A. ITEMS NOT DEDUCTIBLE (Schedule X, Line H) Add \$
B. ITEMS NOT TAXABLE (Schedule X, Line Z) Deduct \$
C. ENTER EXCESS LINE 2A OR 2B \$
3. A. ADJUST NET INCOME (Line 1 Plus/Minus Line 2C) IF SCHEDULE X IS USED \$
B. AMOUNT ALLOCABLE TO ALLIANCE IF SCHEDULE Y STEP 5 IS USED % OF LINE 3A
4. TAXABLE BUSINESS INCOME: \$

SECTION 4

1. TOTAL OTHER TAXABLE INCOME (loss) Section 1, 2, 3 \$
2. DEDUCT NET OPERATING LOSS CARRY OVER \$
3. IF LINE SHOWS AN INCOME, ENTER ON PAGE 1 LINE 2 \$
4. If LINE 3 SHOWS A LOSS, ENTER THAT AMOUNT HERE \$ (This amount is eligible for carryover up to 5 years.)

SCHEDULE X. RECONCILIATION WITH FEDERAL INCOME TAX RETURN

Table for reconciliation with federal income tax return. Columns: ITEMS NOT DEDUCTIBLE, ADD, ITEMS NOT TAXABLE, DEDUCT. Rows include Capital Losses, Expenses, Taxes, Payments, Net operating loss, Contributions, Other expenses, and Section 3 line 2A/B.

SCHEDULE Y (BUSINESS APPORTIONMENT FORMULA) USE ONLY IF NET PROFIT FROM ALLIANCE BRANCH IS NOT AVAILABLE

Resident Unincorporated Businesses Enter 100% in Step 5 Below

Table for Schedule Y with columns: a LOCATED EVERYWHERE, b LOCATED IN ALLIANCE, c PERCENTAGE (b ÷ a). Steps include: ORIGINAL COST OF REAL & TANG. PERSONAL PROPERTY, GROSS RECEIPTS FROM SALES, WAGES, SALARIES & OTHER COMPENSATION PAID, TOTAL PERCENTAGES, and AVERAGE PERCENTAGE.