

REGULATION 2 - 3

IMPOSITION OF TAX - NET BUSINESS PROFITS - RESIDENT UNINCORPORATED BUSINESS ENTITIES

1. In the case of unincorporated business conducted by residents of the City of Tiffin, there is imposed an annual tax as provided in Regulation 1 - 1 (P).
2. The term "residents" in the phrase "conducted by residents of the City of Tiffin" will ordinarily be construed to have reference to the business entity itself, as distinguished from the partners, co-owners, proprietors, or other participants in its profits.
3. Generally, an unincorporated business entity owned by two or more persons will be taxed as a single entity. However, in the case of a non-resident unincorporated business entity which cannot be reached or taxed directly by the City of Tiffin, or if only part of its earnings may be directly taxed, then in either such case, resident owners or other resident participants in the profits thereof must include in their declaration and tax return or returns their distributive shares of such profits, or portion thereof not taxed to the business enterprise as a single entity, and must pay the tax thereon.
4. The tax imposed under the Ordinance is levied upon the entire net profits of the resident business, wherever earned, paid or accrued and regardless of the fact that any part of such business may have been conducted at or through a place or places of business located outside the City of Tiffin. Net operating losses shall not be carried forward or backward but must be allocated to the year realized.