

# INSTRUCTIONS FOR FILING PROFITS RETURN--EARNINGS TAX (RD-108)

## General Instructions

### 1. Who must file:

- a. Every *resident* individual who derives income from an unincorporated business, association, profession, or other business activity.
- b. Every *nonresident* individual who derives income from an unincorporated business, association, profession, or other activity doing business *within the city*.
- c. Every *corporation and partnership* conducting business within the city or rendering or performing services within the city.
- d. K-1 recipients must file a return with payment of tax due, and the partnership must file an information return; or a partnership may file a return with payment of tax due, but should attach a summary of all recipient information or copies of K-1s.

### 2. Exceptions:

- a. File Form RD-109, Wage Earner Return, if entire earnings are from salaries, wages, commissions, or other compensation and from which *tax has not been withheld*.
- b. Form RD-108, Profits Return, cannot be substituted for RD-109, Wage Earner Return.

### 3. When and where to file:

- a. This return is to be filed on or before April 15 of each year unless your annual accounting period is on a fiscal year basis in which case it is to be filed 105 days from the end of your fiscal year. In the event a corporation or partnership ceases to engage in any business activity in the city, the income from which is taxable in whole or in part, a final return shall be filed within 105 days from the date such business activity is terminated. Returns are to be filed with the Finance Department, Revenue Division, 414 East 12th Street, Kansas City, Missouri 64106-2786. Mail completed returns to P.O. Box 15624, Kansas City, MO 64106-0624. **To avoid delays in processing use forms approved by the Revenue Division of the City of Kansas City, Missouri.**
- b. **Extension**--An extension of time to file the Kansas City, MO Profits Return will be granted **ONLY** by filing **Form RD-111, Application for Automatic Extension, or state or federal extension forms with PAYMENT of the estimated tax due on or before the original filing date.** Failure to submit a timely request with estimated payment to the city of at least 90% of the tax due, subjects the profits tax obligation to penalty. An extension is granted for a period of six months.

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## Instructions for RD-108

Taxable Period: If this return is made for a period other than the calendar year, insert the beginning and ending dates of the period.

- Line 1. Indicate type of business.
- Line 2. Check if nonresident business (not located in Kansas City, Missouri).
- Line 3. Enter gross receipts amount shown on Line 1 of Schedule C or line 4B of Schedule Y.
- Line 4. List income from business or profession from schedule C, Y, or Z. **ATTACH SUPPORTING SCHEDULES. IF A LOSS, ENTER " 0."**
- Line 5. Enter any other taxable earnings or profits and **ATTACH SCHEDULE** showing computation of this amount, include partnership income. **IF LOSS, ENTER " 0."**
- Line 6. Total taxable earnings (line 4 plus line 5).
- Line 7. Multiply Line 6 by .01 (1%) and enter on this line.
- Line 8. Enter estimated profits tax paid with extension. The balance of the tax is due with the filing of the return together with interest at 12% per annum from the date the return was originally due. If the return is not filed and the balance of the tax due is **NOT** paid within the period as extended, penalty of 5% per month up to but not exceeding 25% shall be computed in addition to the interest charges.
- Line 9. **Only residents** are allowed a credit for earnings or income tax paid to another city. This credit is to be applied only to the extent of the tax imposed by Kansas City (1% rate) upon amounts earned in other cities where the tax is paid. The credit may not exceed the amount of tax due on line 7. **ATTACH DOCUMENTATION OF TAX PAYMENT.**
- Line 10. Line 7 minus the sum of lines 8 and 9.
- Line 11. If return is delinquent, compute **penalty at 5% per month** or portion thereof from due date to date of payment (not to exceed 25%) and enter on this line.
- Line 12. If return is delinquent, compute **interest at .01 (1%) per month** from due date to date of payment and enter on this line.
- Line 13. Total amount due (sum of lines 10, 11 and 12).
- Line 14. If an overpayment has been made (sum of lines 8 and 9 is greater than line 7), enter difference on line 14 to receive **CREDIT**;  
**OR**
- Line 15. Enter the difference on line 15 to receive a **REFUND**. Overpayments of less than \$1.00 will not be refunded.
- Line 16. Enter amount paid.
- Line 17. "X" if this is a final return.
- Line 18. If no longer in business, enter date business closed.

**For assistance, call the Revenue Division at (816) 513-1120 or 513-1135**