



**FORM IT-20G**  
(Rev. 8-97)

INDIANA DEPARTMENT OF REVENUE  
**GOVERNMENTAL UNITS AND AGENCIES  
GROSS INCOME TAX RETURN**  
For the Calendar Year Ending December 31, 1997  
or Fiscal Year Beginning \_\_\_\_\_ 1997 and Ending \_\_\_\_\_ 19 \_\_\_\_\_

(Do Not Write Above)

Date last audited by the Indiana Department of Revenue	Name of agency		Federal identification number
	Street address	County	
Date incorporated	City or town, state, and zip code		Telephone number of governmental department ( )

**SCHEDULE A - GROSS INCOME TAX COMPUTATION**  
GROSS RECEIPTS RECEIVED

High Tax Rate  
Column A. 1.2%

Low Tax Rate  
Column B. .3%

1. Gas .....
2. Power and light .....
3. Water .....
4. Sale of by-products from sewage utility .....
5. Concession stand receipts .....
6. Miscellaneous income .....
7. Totals (add lines 1 through 6) .....
8. Nontaxable receipts (itemize on Schedule B below) .....
9. Exemption (\$83.33 per month, total of columns A and B may not exceed \$1,000) .....
10. Add lines 8 and 9 for each column .....
11. Amounts subject to tax (line 7 minus line 10 of each column) .....
12. Multiply amounts on line 11 by the tax rate for each column .....
13. Total gross income tax (add amounts on line 12, columns A and B) .....

01		02	
03		04	
05		06	
07		08	
		13	

**SCHEDULE B - EXPLANATION OF NONTAXABLE ITEMS OF INCOME**

DEDUCTED FROM RECEIPTS

Line Number	Item Deducted	Column A	Column B
<b>Totals</b>			

**SCHEDULE C - PAYMENTS AND CREDITS**

14. Total quarterly IT-6 estimated payments (itemize payments below)  
Qtr. 1 \_\_\_\_\_ Qtr. 2 \_\_\_\_\_ Qtr. 3 \_\_\_\_\_ Qtr. 4 \_\_\_\_\_ Enter total.....
15. Enter extension payment \_\_\_\_\_ and prior year overpayment credit \_\_\_\_\_ from tax year \_\_\_\_\_ Enter total.....
16. Other credits (attach detailed explanation) .....
17. Total payments and credits (add lines 14, 15, and 16) .....
18. Balance of tax due (line 13 minus line 17 - if line 17 is greater than 13, proceed to line 23 and 20) .....
19. If payment is made after the original due date, compute penalty of 10% of line 18 or \$5.00, whichever is greater.....
20. Penalty for the underpayment of quarterly tax from Schedule IT-2220 (Attach IT-2220) .....
21. If payment is made after the original due date, add interest (contact the Department for the current interest rate).....
22. Total tax, penalty, and interest (add lines 18, 19, 20, and 21) ..... **PAY THIS AMOUNT** ▶
23. Total overpayment (line 17 minus lines 13 and 20) .....
24. Amount of line 23 to be refunded .....
25. Amount of line 23 to be credited to the following year's estimated account (line 23 minus line 24) .....

	14	
	15	
	16	
	19	
	20	
	21	
	22	
23		
24		
25		

Under penalties of perjury, I declare 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. I authorize the Department to discuss my return with my tax preparer Yes  No

**Mail To:**  
Indiana Dept. Of Revenue  
100 North Senate Ave.  
Indianapolis, IN 46204-2253

Signature of Officer	Date
Paid Preparer's Name	
Street Address	
City	State Zip+4

Print or Type Name	Title
Preparer's FID or SSN Number	
Daytime Telephone Number	
Preparer's Signature	

Federal I.D. Number  
 Social Security Number

# GOVERNMENTAL UNITS AND AGENCIES - FORM IT-20G

## INDIANA GROSS INCOME TAX INSTRUCTIONS

(Rev. 8-97)

### GENERAL STATEMENT

The gross income received by political units of the State of Indiana, its agencies, instrumentalities, counties, townships, municipal corporations, and their respective agencies and instrumentalities, as well as all other state governmental utilities and subdivisions, including state colleges, universities, and rural water companies shall be subject to the gross income tax for receipts earned in the performance of private, proprietary, or other business activities other than those enumerated in I.C. 6-2.1-3-29.

Receipts from sales to non-profit organizations such as schools, churches, hospitals, and libraries are subject to the gross income tax although the receipts earned by these and other not-for-profit organizations are exempt from gross income tax.

Each governmental unit is taxable under the Gross Income Tax Act if gross receipts exceed \$1,000 during the taxable year. **Annual returns are due on or before the 15th day of the fourth month following the close of the tax year.**

### QUARTERLY INCOME TAX PAYMENTS

Governmental units and agencies are required to file quarterly income tax returns if their gross income tax liability exceeds \$1000 annually. To file the quarterly tax payment, Form IT-6 or E-6 should be used. If you do not have a Form IT-6, contact the Department for further instructions.

**The quarterly estimated payment is due on April 20, June 20, September 20, and December 20 of the tax year for calendar year taxpayers. For taxpayers filing on a fiscal year basis, the quarterly estimated payment is due on the 20th day of the fourth, sixth, ninth, and twelfth month of the tax year.** Quarterly Electronic Funds Transfer (EFT) method of payment is required if annual gross tax liability exceeds \$40,000. If the required payments are not made, the governmental unit will be subject to the assessment of an underpayment penalty, in addition to the late payment penalty. The underpayment assessment is calculated on Schedule IT-2220.

### GENERAL REQUIREMENTS

The gross income tax is a tax on all receipts earned by the governmental unit. No deductions for costs or expenses incurred are allowed. If any of the receipts reported in Columns A or B are nontaxable, enter those amounts on line 8 and provide an explanation in Schedule B.

**NOTE:** In addition to the above requirements, a report must be made to the Indiana Department of Revenue on Form GC-22(h) whenever an Indiana governmental unit grants a service contract exceeding one thousand dollars (\$1,000.00). See I.C. 6-2.1-5-11. You may call Indiana TAXFAX to obtain Form GC-22(h) at (317) 233-2329 using the phone on your fax machine. Request retrieval code 2020.

Certain conservancy districts, regional water, sewage, or solid waste districts, and certain not-for-profit corporations are exempt from Indiana gross income tax as provided under Indiana Code 6-2.1-3-33. To determine if you meet these qualifications, refer to Income Tax Information Bulletin #73. Also, gross income received by a county solid waste management district or a joint solid waste management district established under Indiana Code 13-9.5-2 is exempt from gross income tax.

### TAXABLE RECEIPTS DEFINED

Gross income received in the performance of private or "proprietary" activities is subject to gross income tax. Proprietary activities are those activities similar to ones performed by private entities for the benefit of local or individual convenience. Income from "governmental" activities is exempt. Governmental activities are those which benefit the state as a whole or are duties imposed by legislation.

### EXAMPLES OF TAXABLE GROSS RECEIPTS:

#### Column A (high rate) 1.2%

Operation of electric, gas, and water utilities;  
Trash collection fees;  
Permits for use of or entry into city property including street cut permit fees;  
Street repairs, sodding, and other services if the payment is for services to a particular individual.

#### Column B (low rate) .3%

Concession stand receipts;  
Sales of by-products from sewage disposal plants.

**NOTE:** Receipts between departments owned by the same governmental unit and operated as divisions thereof are not subject to the gross income tax. However, if the department or division is a separate corporation such as an incorporated municipal utility, these receipts are taxable. In the latter case, the utility and its controlling incorporated municipality may

file a consolidated return (if it is eligible to do so under I.C. 6-2.1-5-5), thus eliminating intercompany receipts from taxation. Schedule 8-D must be attached.

### EXAMPLES OF NONTAXABLE GROSS RECEIPTS:

Admission charges to parks, recreational facilities, and programs;  
Operation of public cemeteries, dog pounds, hospitals, housing authorities;  
Libraries, municipal airports, and schools;  
Ambulance service fees;  
Sales and issuance of bonds;  
Sales and leasing of real property;  
Dividends, distributions, interest earnings, and sales of intangibles;  
Sales of permits to private industry;  
Fines except those fines intended as punitive;  
Parking fees on city-controlled property;  
Sanding, salting, sweeping, and snow removal on city streets and public parking lots;  
Levies for the operation of sewage disposal plants and billings for sewage disposal; and,  
Hydrant rental and charges by fire departments for runs outside the city limits.

The preceding lists are not inclusive since they merely describe the classification of receipts.

### SCHEDULE A

**LINE 1, 2 and 3.** Enter income earned by governmental utilities such as sales of utility services, forfeited discounts and penalties, fees from changing, connecting, or disconnecting service, property rents, and other income earned from operations.

**LINE 4.** Enter receipts from the sale of by-products from sewage utilities.

**LINE 5.** Enter concession stand receipts.

**LINE 6.** Enter receipts from non-governmental functions not listed in lines 1 through 5.

**LINE 8.** Enter nontaxable receipts included in lines 1 through 6 and explained in Schedule B. **Sales to other governmental units cannot be deducted; these sales are taxable in the same manner as other sales made by the governmental unit.**

**LINE 9.** All entities created by law prior to or during the first month of the taxable year may use the full \$1,000 annual exemption. Entities created after the first month of the taxable year must prorate the exemption at the rate of \$83.33 per month. In no case shall the exemption exceed the total taxable income. Only **one** \$1,000 exemption is allowed for a reporting unit, even though several utilities, departments, etc. are included. The \$1,000 exemption may be split between columns A and B.

**LINE 10.** Add amounts reported on lines 8 and 9 for each column.

**LINE 11.** Subtract line 10 from line 7.

**LINE 12.** Multiply the amounts on line 11 by their respective rates for each column.

**LINE 13.** Add the amounts on line 12 and enter total.

### SCHEDULE C

**LINE 14.** Enter total of the quarterly gross income tax payments remitted to the Department for the current or reporting tax year.

**LINE 15.** Enter the amounts previously paid with extension of time to file and/or any prior year overpayment credit. Enter total amount.

**LINE 16.** Enter all other credits claimed by the governmental unit and attach detailed explanation and/or schedule(s).

**LINE 18.** If line 13 is greater than line 17, enter the difference.

**LINE 19.** Enter penalty assessment for late filing.

**LINE 20.** Enter penalty for underpayment of quarterly estimated payments. Complete Schedule IT-2220, available upon request, to determine if this penalty is due.

**LINE 21.** Enter interest due for filing past the due date. Contact the Indiana Department of Revenue for the current rate.

**LINE 22.** Add lines 18, 19, 20, and 21. If a remittance is due, make the check payable to the Indiana Department of Revenue.

**LINE 23.** Enter the amount of overpayment. If line 17 is greater than line 13, enter the difference less amount from line 20.

**LINE 24.** Enter the portion of the overpayment from line 23 that is being requested as a refund.

**LINE 25.** Enter the portion of the overpayment from line 23 to be credited to the subsequent year's estimated tax. **NOTE: The total of lines 24 and 25 cannot exceed line 23. Also, if your overpayment is reduced due to an error on the return or an adjustment by the Department, the amount to be refunded (line 24) will be corrected before any changes are made to the amount on line 25.**

If further assistance is needed, contact the **Department of Revenue, Compliance Division, Corporate Income Tax Section N203, 100 N. Senate Avenue, Indianapolis, Indiana, 46204-2253, (317) 232-2189.**