

TAXABLE INCOME

A. Gross wages, salaries, commissions and other compensation to include:

1. Bonuses.
2. Compensation paid in property or the use thereof at fair market value to the same extent as taxable for Federal tax purposes and so indicated on the W-2 form.
3. Contributions made by or on behalf of employees to a qualified deferral plan (401K and the like) - tax at year earned - deferral not permitted.
4. Contributions made by or on behalf of employees to a tax deferred annuity or stock purchase plan (includes any plan where employee has the option to defer).
5. Distributions from non-qualified deferred compensation plans (SERPs etc.)
6. Cost of group term life insurance over \$50,000.
7. Directors' fees.
8. Disability pay if received as a benefit of employment (includes third party plan).
9. Employee contribution to cost of fringe benefits.
10. Excess employee discounts.
11. Golden parachute payments.
12. Income from guaranteed annual wage contracts.
13. Income from jury duty.
14. Income from wage continuation plans (includes retirement incentive plans and buy-outs).
15. Income received as a result of a covenant or agreement not to compete.
16. Interest on below market loans.
17. Moving expense reimbursement (follow Federal rules but non-reimbursed expenses are not deductible).
18. Pre-retirement distributions from retirement plans (except previously taxed income from deferred plans).
19. Prizes, awards and gifts - if connected with employment.
20. Gambling winnings.
21. Profit sharing.
22. Royalties (unless derived from copyrights, patents or registered trademarks).
23. Severance pay.
24. Sick and/or vacation pay.
25. Stipends - if work required (vow of poverty not recognized).
26. Stock bonus incentive plans.
27. Stock options - taxed when exercised on amount indicated on W-2 form (market price less option price).
28. Strike benefits paid by employer.
29. Supplemental unemployment pay paid by employer.
30. Taxes paid by employer on employee's behalf.
31. Tips.
32. Union steward fees.
33. Distributive shares from S-corporations.

B. Net profits from:

1. Corporations (file Form Business Income Tax)
2. Unincorporated businesses:
 - a) Sole proprietorships – Schedule C
 - b) Rental properties - Schedule E
 - c) Partnerships, Joint Ventures, LLC and other type associations (file Form Business Income Tax)
 - d) Farm Net Income - Schedule F
3. Fiduciaries - trusts and estates. This includes grantor trusts (file and pay as entity)

NON-TAXABLE INCOME

1. Alimony.
2. Annuities - at time of distribution.
3. Capital gains.
4. Dividends.
5. Government allotments.
6. Housing for clergy.
7. Income earned while under 18 years of age.
8. Income from Foster Grandparent Program.
9. Income of religious, fraternal, charitable, scientific, literary or educational institutions to the extent that such income is derived from tax-exempt real estate, tax-exempt tangible or intangible property or tax-exempt activities.
10. Insurance benefits - unless your employer paid the premiums. (Pro-rating is allowed if you paid a portion of the premiums.)
11. Interest.
12. Meals and lodging required on premises.
13. Military pay including reserve pay.
14. Patent and copyright income.
15. Pension income - includes lump sum distributions.
16. Royalties - if derived from intangible property.
17. Salaries of the mentally retarded or developmentally disabled while working in a government funded workshop for less than minimum wage.
18. Social Security benefits.
19. State unemployment benefits.
20. Welfare payments.
21. Worker's Compensation.

NOTE: This list is intended for reference purposes only. It may not be all inclusive and is subject to revision without notice.