



Deadline approaching for small businesses in Ohio to claim a 50 percent tax deduction for the 2013 tax year

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The Ohio Department of Taxation has issued a release reminding small business owners that the deadline to claim a 50 percent income tax deduction is Oct. 15, 2014 for small business owners who have not yet filed their 2013 income tax return. This deduction was covered in our Feb. 20, 2014 *Multistate Tax Update* and generally allows taxpayers to deduct 50 percent of the first \$250,000 of business income from pass-through-entities and sole proprietorships.

In such release, the Ohio Tax Commissioner, Joe Testa, stated that "[w]e are anticipating a final surge of returns as the filing deadline gets closer. Our concern is that eligible small business taxpayers may not be aware of this deduction and fail to claim what can be a significant tax savings that can be used to help grow the businesses and perhaps create more jobs."

According to Testa, more than 345,000 Ohio businesses have filed for the small business deduction and have saved in aggregate more than \$250 million in tax.