

# 2012 MICHIGAN Business Tax Annual Return for Financial Institutions

Check if this is an amended return.  
Attach supporting documents.

Issued under authority of Public Act 36 of 2007.

1. Return is for calendar year 2012 or for tax year beginning: (MM-DD-YYYY)		and ending: (MM-DD-YYYY)	
2. Name (print or type)			7. Federal Employer Identification Number (FEIN) or TR Number
Doing Business As (DBA)			8. Organization Type  <input type="checkbox"/> Fiduciary <input type="checkbox"/> S Corporation / LLC S Corporation  <input type="checkbox"/> C Corporation / LLC C Corporation
Street Address		<input type="checkbox"/> Check if new address. (See instructions)	
City	State	ZIP/Postal Code      Country Code	
3. Principal Business Activity		4. Business Start Date in Michigan	
5. NAICS (North American Industry Classification System) Code		6. If Discontinued, Effective Date	
			8a. <input type="checkbox"/> Check if taxpayer (or any UBG member) has authority to exercise trust powers only.
			9. <input type="checkbox"/> Check if Filing Michigan Unitary Business Group Return. (Include Form 4752.)

<b>10. Apportionment Calculation:</b>	a. Michigan Gross Business (if no Michigan gross business, enter zero) ..10a.	00
	b. Total Gross Business..... 10b.	00
	c. Apportionment Percentage. Divide line 10a by line 10b..... 10c.	%

## PART 1: FRANCHISE TAX

Lines 11-14: If less than zero, enter zero.

	A 2008	B 2009	C 2010	D 2011	E 2012
11. Equity Capital .....					
12. Goodwill.....					
13. Average daily book value of Michigan obligations .....					
14. Average daily book value of U.S. obligations .....					
15. Subtotal. Add lines 12 through 14 .....					
16. Net Capital. Subtract line 15 from line 11 .....					
17. a. Authorized insurance co. subsidiary: Enter actual capital fund amount .....					
b. Minimum regulatory amount required .....					
c. Multiply line 17b by 125% (1.25) .....					
d. Subtract line 17c from 17a. If less than zero, enter zero .....					
18. Add lines 16 and 17d.....					
19. Add lines 18A, 18B, 18C, 18D and 18E. If less than zero, enter zero here and on line 26; skip to line 26.....					00
20. Net Capital for Current Taxable Year. Divide line 19 by number of tax years reported above.....					00
21. Apportioned Tax Base. Multiply line 20 by percentage on line 10c .....					00
22. Tax Before Surcharge. Multiply line 21 by 0.235% (0.00235).....					00
23. Tax liability for entities with authority to exercise trust powers only (see instructions) .....					00
24. Tax subject to surcharge. Subtract line 23 from line 22.....					00
25. Surcharge. Multiply line 24 by 23.4% (0.234).....					00
26. Total Liability Before All Credits. Add lines 22 and 25.....					00
27. Nonrefundable credits from Form 4568, line 40 .....					00
28. <b>Total Tax After Nonrefundable Credits.</b> Subtract line 27 from line 26. If less than zero, enter zero.....					00

29. Recapture of Certain Business Tax Credits from Form 4587, line 13.....	29.	00	
30. <b>Total MBT Tax Liability.</b> Add lines 28 and 29 .....	30.	00	
31. Corporate Income Tax adjustment from Form 4975, line 17 .....	31.	00	
32. <b>Total Tax Liability.</b> Add lines 30 and 31 .....	32.	00	

**PART 2: PAYMENTS, REFUNDABLE CREDITS AND TAX DUE**

33. Overpayment credited from prior return .....	33.	00	
34. Estimated tax payments .....	34.	00	
35. Flow-Through Withholding payments .....	35.	00	
36. Tax paid with request for extension .....	36.	00	
37. Refundable credits from Form 4574, line 23 .....	37.	00	
38. Total Payments. Add lines 33 through 37. (If not amending, then skip to line 40).....	38.	00	
<b>AMENDED RETURN ONLY</b>	a. Payment made with the original return .....	00	
	b. Overpayment received on the original return .....	00	
	c. Add lines 38 and 39a and subtract line 39b from the sum .....	00	
39. <b>TAX DUE.</b> Subtract line 38 (or line 39c, if amending) from line 32. If less than zero, leave blank.....	39c.	00	
40. Underpaid estimate penalty and interest from Form 4582, line 38.....	40.	00	
41. Underpaid estimate penalty and interest from Form 4582, line 38.....	41.	00	
42. Annual return penalty (a) <span style="border: 1px solid black; display: inline-block; width: 30px; height: 15px;"></span> % = (b) <span style="border: 1px solid black; display: inline-block; width: 30px; height: 15px;"></span> 00 plus interest of (c) <span style="border: 1px solid black; display: inline-block; width: 30px; height: 15px;"></span> 00. Total.....	42d.	00	
43. <b>PAYMENT DUE.</b> If line 40 is blank, go to line 44. Otherwise, add lines 40, 41 and 42d.....	43.	00	

**PART 3: REFUND OR CREDIT FORWARD**

44. Overpayment. Subtract lines 32, 41 and 42d from line 38 (or line 39c, if amending). If less than zero, leave blank (see instructions).....	44.	00	
45. <b>CREDIT FORWARD.</b> Amount on line 44 to be credited forward and used as an estimate for next MBT tax year ....	45.	00	
46. <b>REFUND.</b> Amount on line 44 to be refunded.....	46.	00	

<b>Taxpayer Certification.</b> I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.		<b>Preparer Certification.</b> I declare under penalty of perjury that this return is based on all information of which I have any knowledge.	
<input type="checkbox"/> By checking this box, I authorize Treasury to discuss my return with my preparer.		Preparer's PTIN, FEIN or SSN <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	
Authorized Signature for Tax Matters		Preparer's Business Name (print or type)	
Authorized Signer's Name (print or type)	Date	Preparer's Business Address and Telephone Number (print or type)	
Title	Telephone Number		

**Return is due April 30 or on or before the last day of the 4th month after the close of the tax year.**

**WITHOUT PAYMENT** - Mail return to:

Michigan Department of Treasury  
PO Box 30783  
Lansing MI 48909

**WITH PAYMENT** — Pay amount on line 43 and mail check and return to:

Michigan Department of Treasury  
PO Box 30113  
Lansing MI 48909

Make check payable to "State of Michigan." Print taxpayer's FEIN or TR Number, the tax year, and "MBT" on the front of the check. Do not staple the check to the return.

# Instructions for Form 4590

## Michigan Business Tax (MBT) Annual Return for Financial Institutions

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### Purpose

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To calculate a tax liability and claim credits for a financial institution for MBT.

**NOTE:** Beginning January 1, 2012, only those taxpayers with a certificated credit, which is awarded but not yet fully claimed or utilized, may elect to be MBT taxpayers. If a taxpayer files an MBT return and claims a certificated credit, the taxpayer makes the election to file and pay under the MBT until the certificated credit and any carryforward of that credit are exhausted.

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### General Instructions

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**MBT Liability:** Beginning January 1, 2012, a taxpayer calculates MBT liability as the greater of MBT liability after of all credits, deductions, and exemptions or hypothetical CIT liability minus deductions and credits available under that act and minus certified credits allowed under the MBT. This calculation of liability requires a taxpayer to calculate net equity tax base and apply available MBT credits, including certificated credits, deductions, and exemptions available under the MBT. Then, the taxpayer will calculate the CIT comparison on Form 4975, Schedule of Corporate Income Tax Liability for a Financial Filer. A taxpayer is permitted to reduce hypothetical CIT liability by all deductions and credits which would be allowed under that tax as well as the amount of certificated credit allowed under the MBT. The amount of certificated credit allowed under the MBT is the amount of nonrefundable credit needed to offset MBT liability or the entire amount of a refundable credit.

If the taxpayer's hypothetical CIT liability would be higher than its MBT liability, the taxpayer will add the difference to MBT liability on line 31 of this form (4590). This is the CIT adjustment. If the result of both steps of the calculation is a negative number, the taxpayer will receive a refund of the lower negative; but a nonrefundable credit cannot be used to reduce liability below zero. Remaining nonrefundable certificated credit may be carried forward to succeeding tax years.

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### Special Instructions for Unitary Business Groups

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A *Unitary Business Group (UBG)* is a group of United States persons, other than a foreign operating entity, that satisfies the following criteria:

- One of the persons owns or controls, directly or indirectly, more than 50 percent of the ownership interest with voting rights (or rights comparable to voting rights) of the other United States persons; AND
- The UBG has operations which result in a flow of value between persons in the UBG or has operations that are integrated with, are dependent upon, or contribute to each other. Flow of value is determined by reviewing the totality of facts and circumstances of business activities and operations.

All financial institution members of a UBG must file a combined Form 4590 for the group with a Designated Member (DM) who must be the controlling member of the group, unless

the controlling member does not have nexus with Michigan. If that is the case, the controlling member may appoint a group member with nexus to serve as the DM.

**NOTE:** The *MBT Unitary Business Group Combined Filing Schedule for Financial Institutions* (Form 4752) must be completed before completing Form 4590.

For more information on UBGs, see the instructions for Form 4752, available online at the Department of Treasury (Treasury) Web site at [www.michigan.gov/taxes](http://www.michigan.gov/taxes).

For more information on the control and relationship tests for UBGs, see Revenue Administrative Bulletin (RAB) 2010-1 Michigan Business Tax-Unitary Business Group Control Test and RAB 2010-2 Michigan Business Tax-Unitary Business Group Relationship Tests on the Treasury Web site.

**NOTE:** Under the foregoing definition, a UBG may include financial institutions, insurance companies, and standard taxpayers. A group containing a mixture of these three taxpayer types may be required to file two or more returns to properly report the activities of the different taxpayer types within the group.

Under Michigan Compiled Law (MCL) 208.1261(f), *financial institution* means any of the following:

- i. A bank holding company, a national bank, a state chartered bank, an office of thrift supervision chartered bank or thrift institution, or a savings and loan holding company other than a diversified savings and loan holding company as defined in 12 United States Code (USC) 1467a(a)(F) or a federally chartered Farm Credit System institution.
- ii. Any entity, other than an entity subject to the tax imposed under Chapter 2A (insurance company), who is directly or indirectly owned by an entity described in (i) and is a member of the UBG.
- iii. A UBG of entities described in (i) or (ii), or both.

**NOTE:** Because the definition of financial institution for MBT purposes includes any entity (except an insurance company) that is owned by a bank or other entity (as described above) and is a member of a UBG with its parent, this may cause an entity that is not commonly thought of as a financial institution to be defined as one for return filing purposes. A UBG of financial institutions must file a combined return on this Form 4590 that includes each member of the group that is a financial institution.

### Taxpayer Certification

A return filed by a UBG must be signed by an individual authorized to sign on behalf of the DM. Provide the telephone number of that individual at the DM's office.

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### Line-by-Line Instructions

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*Lines not listed are explained on the form.*

Dates must be entered in MM-DD-YYYY format.

For periods less than 12 months, see the "General Information for Standard Taxpayers" in the *MBT Forms and Instructions for Financial Institutions* (Form 4599).

**UBGs:** Complete Form 4752 before beginning Form 4590.

**Amended Returns:** To amend a current or prior year annual return, complete the Form 4590 that is applicable for that year, check the box in the upper-right corner of the return, and attach a separate sheet explaining the reason for the changes. Include an amended federal return or a signed and dated Internal Revenue Service (IRS) audit document. Include all schedules filed with the original return, even if not amending that schedule. Enter the figures on the amended return as they should be. Do not include a copy of the original return with your amended return.

A taxpayer may not amend to revoke the election to remain taxable under the MBT. Once the taxpayer makes a valid election to claim a certificated credit, the taxpayer must remain in the MBT until the credit and any carryforward of that credit are exhausted.

**Line 1:** Unless a calendar year, enter the beginning and ending dates (MM-DD-YYYY) that correspond to the taxable period as reported to the IRS.

*Tax year* means the calendar year, or the fiscal year ending during the calendar year, upon the basis of which the tax base of a taxpayer is computed. If a return is made for a fractional part of a year, tax year means the period for which the return covers. Generally, a taxpayer's tax year is for the same period as is covered by its federal income tax return.

**Fiscal Year Filers:** See "Supplemental Instructions for Fiscal MBT Filers — Financial Institutions" in Form 4599.

**Line 2:** Enter the complete address and, if other than the United States, enter the two-digit abbreviation for the country code. See the list of country codes in Form 4599.

Correspondence about and any refund from this return will be sent to the address used here. Check the new address box if the address used on this line has changed from last filing. The taxpayer's primary address in Treasury files, identified as the legal address and used for all purposes other than refund and correspondence on a specific MBT return, will not change unless the taxpayer files a *Notice of Change or Discontinuance* (Form 163). **Exception:** If mail sent to the legal address has been returned to Treasury by the United States Postal Service, Treasury will update the taxpayers legal address with the address used on this line in the most recent MBT return.

**UBGs:** In the Name field, enter the name of the DM for the financial institutions.

**Line 3:** Enter a brief description of the principal types of financial services in which the taxpayer is engaged.

**Line 4:** Enter the start date of first business activity in Michigan.

**Line 5:** Enter the entity's six-digit North American Industry Classification System (NAICS) code. For a complete list of six-digit NAICS codes, see the U.S. Census Bureau Web site at [www.census.gov/eos/www/naics/](http://www.census.gov/eos/www/naics/), or enter the same NAICS code used when filing the entity's U.S. Form 1120, Schedule K, U.S. Form 1120S, or U.S. Form 1065.

**Line 6:** Enter the date, if applicable, on which the taxpayer went out of business. To complete the discontinuance for Michigan

taxes, file Form 163, which is available on the Treasury Web site at [www.michigan.gov/treasuryforms](http://www.michigan.gov/treasuryforms). If the taxpayer is still subject to another tax administered by Treasury, do not use this line. Also, do not use this line if the taxpayer is a UBG and one member has stopped doing business.

**Line 7:** Use the taxpayer's Federal Employer Identification Number (FEIN) or the Michigan Treasury (TR) assigned number. Be sure to use the same account number on all forms.

If the taxpayer does not have an FEIN or TR number, the taxpayer **MUST** register before filing this form. Taxpayers are encouraged to register online at [www.michigan.gov/business taxes](http://www.michigan.gov/business taxes). The Web site provides information on obtaining an FEIN, which is required to submit taxes through e-file. Taxpayers usually can obtain an FEIN from the IRS within 48 hours. Taxpayers registering with the State online usually receive an account number within seven days.

Returns received without a registered account number will not be processed until such time as a number is provided.

**UBGs:** Enter the FEIN or TR Number for the DM of the financial group.

**Line 8:** Check the box that describes the DM's organization type. A Trust or a Limited Liability Company (LLC) should check the appropriate box based on its federal return.

**NOTE:** A person that is a disregarded entity for federal tax purposes, including a single member LLC or Q-Sub, must file as if it were a sole proprietorship if owned by an individual, or a branch or division if owned by another business entity.

**Line 8a:** If the taxpayer meets the definition of financial institution and is filing this form, but is authorized to exercise only trust powers, check this box. See line 23 for additional instructions.

**UBG:** If any member of a UBG is a financial institution that is authorized to exercise only trust powers, the UBG should check this box.

**Line 9:** Check this box if filing a Michigan UBG return and include Form 4752. For MBT, *taxpayer* means a person or a UBG liable for tax, interest, or penalty.

**Lines 10a through 10c:** A taxpayer may apportion on lines 10a through 10c only if its business activities are subject to tax both within and outside of Michigan. A financial institution is *subject to tax in another state*, as that term is used here, only if:

- It is subject to a Business Privilege Tax, a Net Income Tax, a Franchise Tax measured by net income, a Franchise Tax for the privilege of doing business, or a corporate stock tax or a tax of the type imposed under the MBT Act in that other state; OR
- That other state has jurisdiction to subject the financial institution to one or more of the taxes listed above regardless of whether that state does or does not subject the financial institution to such a tax.

Under MCL 208.1261(g), *gross business* means the sum of the following less transactions between those entities included in a UBG:

- i. Fees, commissions, or other compensation for financial services.

- ii. Net gains, not less than zero, from the sale of loans and other intangibles.
- iii. Net gains, not less than zero, from trading in stocks, bonds, or other securities.
- iv. Interest charged to customers for carrying debit balances of margin accounts.
- v. Interest and dividends received.
- vi. Any other gross proceeds resulting from the operation as a financial institution.

For a UBG that includes financial institutions, gross business includes gross business in Michigan of every financial institution included in that UBG without regard to whether the financial institution has nexus in Michigan. Gross business between financial institutions included in a UBG must be eliminated in calculating the gross business factor.

Gross business is determined to be in Michigan under extensive guidelines found at MCL 208.1269. These guidelines are summarized as follows:

- Receipts from credit card receivables including interest and fees or penalties in the nature of interest from credit card receivables and receipts from fees charged to credit card holders such as annual fees are in Michigan if the billing address of the credit card holder is located in Michigan.
- Credit card issuer's reimbursement fees are in Michigan if the billing address of the credit card holder is located in Michigan.
- Receipts from merchant discounts are in Michigan if the commercial domicile of the merchant is in Michigan.
- Loan servicing fees are in Michigan under any of the following circumstances:
  - For a loan secured by real property, if the real property for which the loan is secured is in Michigan.
  - For a loan secured by real property, if the real property for which the loan is secured is located both in Michigan and in one or more other states and more than 50 percent of the fair market value of the real property is located in Michigan.
  - For a loan secured by real property, if more than 50 percent of the fair market value of the real property for which the loan is secured is not located within any one state but the borrower is located in Michigan.
  - For a loan not secured by real property, the borrower is located in Michigan.
- Receipts from services are in Michigan if the recipient of the services receives all of the benefit of the services in Michigan. If the recipient of the services receives some of the benefit of the services in Michigan, the receipts are included in the numerator of the apportionment factor in proportion to the extent that the recipient receives benefit of the services in Michigan.
- Receipts from investment assets and activities and trading assets and activities, including interest and dividends, are in Michigan if the financial institution's customer is in Michigan. If the location of the financial institution's customer cannot be determined, both of the following apply:
  - Interest, dividends, and other income from investment assets and activities and from trading assets and activities,

including, but not limited to, investment securities; trading account assets; federal funds; securities purchased and sold under agreements to resell or repurchase; options; futures contracts; forward contracts; notional principal contracts such as swaps; equities; and foreign currency transactions are in Michigan if the average value of the assets is assigned to a regular place of business of the taxpayer in Michigan. Interest from federal funds sold and purchased and from securities purchased under resale agreements and securities sold under repurchase agreements are in Michigan if the average value of the assets is assigned to a regular place of business of the taxpayer in Michigan. The amount of receipts and other income from investment assets and activities is in Michigan if assets are assigned to a regular place of business of the taxpayer in Michigan.

- The amount of receipts from trading assets and activities, including, but not limited to, assets and activities in the matched book, in the arbitrage book, and foreign currency transactions, but excluding amounts otherwise sourced in this section, are in Michigan if the assets are assigned to a regular place of business of the taxpayer in Michigan.

- Interest charged to customers for carrying debit balances on margin accounts without deduction of any costs incurred in carrying the accounts is in Michigan if the customer is located in Michigan.
- Interest from loans secured by real property is in Michigan if the property is located in Michigan, if the property is located both within Michigan and one or more other states and more than 50 percent of the fair market value of the real property is located in Michigan, and if more than 50 percent of the fair market value of the real property is not located within any one state but the borrower is located in Michigan.
- Interest from loans not secured by real property is in Michigan if the borrower is located in Michigan.
- Net gains from the sale of loans secured by real property or mortgage service rights relating to real property are in Michigan if the property is in Michigan, if the property is located both within Michigan and one or more other states and more than 50 percent of the fair market value of the real property is located in Michigan, or if more than 50 percent of the fair market value of the real property is not located in any one state, but the borrower is located in Michigan.
- Net gains from the sale of loans not secured by real property or any other intangible assets are in Michigan if the depositor or borrower is located in Michigan.
- Receipts from the lease of real property are in Michigan if the property is located in Michigan.
- Receipts from the lease of tangible personal property are in Michigan if the property is located in Michigan when it is first placed in service by the lessee.
- Receipts from the lease of transportation tangible personal property are in Michigan if the property is used in Michigan or if the extent of use of the property in Michigan cannot be determined but the property has its principal base of operations in Michigan.

**UBGs:** Carry amount from Form 4752, line 2C, to line 10a, and the amount from Form 4752, line 3C, to line 10b.

**Fiscal Year Filers:** All 2011-2012 fiscal year taxpayers will file a short-period return from January 1, 2012 to the end of their 2011-2012 fiscal year. Fiscal year financial institutions are required to use the annual method for a short period return. Under the annual method, the short period return will report data from the fiscal year prorated by a fraction. The numerator of the fraction will be the number of months in the short period. The denominator will be the number of months in the fiscal year (typically 12). The number of months used for the numerator should correspond to the number of months reported for the tax year on line 1.

## **PART 1: FRANCHISE TAX**

The following tax base calculation involves a five-year average of net capital. Enter data from the current tax year and four most recent MBT tax years to complete the five-year table. For purposes of this table, treat a partial year as a full year. If the current and four preceding tax periods include any short periods, the years printed in column headings for this part will not apply accurately. For example, assuming no short periods for federal purposes, a financial institution with a fiscal year end of August 31 would average net capital for the following tax year ends (taking into account the transition between taxes): August 31, 2012, December 31, 2011, August 31, 2011, August 31, 2010, August 31, 2009.

**UBGs:** Leave lines 11 through 19 blank, complete line 20 with combined data from Form 4752, line 25, and proceed with the rest of the lines on Form 4590.

**Part 1; Lines 11-14, Line 17a and Line 17b: Fiscal Year Filers:** See “Supplemental Instructions for Fiscal MBT Filers — Financial Institutions” in Form 4599.

**Line 11:** Enter equity capital as of the last day of the filing period, as computed in accordance with generally accepted accounting principles. If the financial institution does not maintain its books and records in accordance with generally accepted accounting principles, net capital must be computed in accordance with the books and records used by the financial institution, so long as the method fairly reflects the financial institution’s net capital for purposes of MBT. If the financial institution owns a subsidiary that is an authorized insurance company, the equity capital of the insurance subsidiary is not included in the financial institution’s equity capital. Attach supporting schedules.

**UBGs:** A member of a UBG of financial institutions will eliminate its investment in another member of the same group. However, in order to reach net capital for the group, each member of a UBG of financial institutions must compute its tax base individually in accordance with GAAP. The rules of GAAP do not permit negative equity capital for a financial institution.

**Line 13:** Under MCL 208.1261(k), *Michigan obligations* means a bond, note, or other obligation issued by a governmental unit described in Section 3 of the Shared Credit Rating Act, Public Act 227 of 1985, MCL 141.1053.

**Line 14:** Under MCL 208.1261(s), *United States obligations* means all obligations of the United States exempt from taxation under 31 USC 3124(a) or exempt under the United States

constitution or any federal statute, including the obligations of any instrumentality or agency of the United States that are exempt from state or local taxation under the United States constitution or any statute of the United States.

**Line 17a:** If this taxpayer owns a subsidiary that is an authorized insurance company, enter the actual amount of the capital fund maintained within that subsidiary. This does not include a captive insurance company.

**Line 17b:** Enter the minimum capital fund amount required by regulations for that insurance subsidiary.

**Line 23:** If qualified to check box 8a and not part of a UBG, enter the amount from line 22.

**UBGs:** Calculate the pro forma tax liability of all members not subject to the surcharge to determine the amount of tax to enter on this line. A copy of this calculation must be attached to the tax filing.

**Line 27:** Enter nonrefundable credits from the *MBT Nonrefundable Credits Summary* (Form 4568), line 40. Note that these credits have strict eligibility requirements, and only the following are available to a financial institution:

- SBT credit carryforwards (*Single Business Tax (SBT) Credit Carryforwards* (Form 4569))
- Compensation Credit (claimed on the *MBT Credits for Compensation, Investment, and Research and Development* (Form 4570))
- Renaissance Zone Credit (claimed on the *MBT Renaissance Zone Credit Schedule* (Form 4595))
- Individual or Family Development Account Credit (claimed on the *MBT Miscellaneous Nonrefundable Credits* (Form 4573))
- Brownfield Redevelopment Credit (calculated on the *MBT Election of Refund or Carryforward of Credits* (Form 4584))
- Historic Preservation Credit (calculated on Form 4584)
- Film Infrastructure Credit (as assignee only)

**Line 29:** Recapture of certain credits is entered on *MBT Schedule of Recapture of Certain Business Tax Credits and Deductions* (Form 4587). For a financial institution, these are the Michigan Economic Growth Authority (MEGA) Employment Tax Credit and Brownfield Redevelopment Credit. If the taxpayer experienced recapture of either of these credits during the filing period, complete Form 4587 and carry the result to this line.

## **PART 2: PAYMENTS, REFUNDABLE CREDITS, AND TAX DUE**

**UBGs:** On lines 33 through 39, enter combined data for all members included on this combined return.

**Line 33:** Enter overpayment credited from prior MBT return.

**Line 34:** Enter total payments made with the *MBT Quarterly Return* (Form 4548), the MBT estimates paid with the *Combined Return for Michigan Taxes* (Form 160) or via Electronic Funds Transfer (EFT). Include all payments made toward the current filing period.

**Line 35:** Enter the total withholding payments made on your behalf by flow-through entities. Include all withholding payments made on returns that apply to the tax year included

in this return. Included on this line would be Flow-Through Withholding payments made by flow-through entities whose tax years ended with or within the tax year included in this return. For example, a calendar year filer would include Flow-Through Withholding payments made by a flow-through entity whose tax year ended on or after January 1, 2012, and on or before December 31, 2012. Any flow-through entity that has withheld on behalf of the taxpayer should have provided the taxpayer with the amount for its records.

If an amount is entered on this line, complete the MBT Schedule of Flow-Through Withholding (Form 4966) to account for the Flow-Through Withholding payments received. The amount entered on this line must equal the sum of the combined amount from Form 4966, column E.

**Line 37:** Enter refundable credits from the *MBT Refundable Credits* (Form 4574), line 23.

Only the following are available to a financial institution:

- MEGA Employment Tax Credit (claimed on Form 4574)
- Historic Preservation Credit (calculated on Form 4584)
- Brownfield Redevelopment Credit (calculated on Form 4584)
- Film Production Credit (as assignee only)
- MEGA Photovoltaic Technology Credit (as assignee only).

**Amended Returns Only:**

**Line 39a:** Enter payment made with original return.

**Line 39b:** Enter overpayment calculated on the original return (regardless of whether it was refunded or applied as a credit forward)

**Line 39c:** Add lines 38 and 39a and subtract line 39b from the sum.

**Line 41:** If penalty and interest are owed for not filing estimated returns or for underestimating tax, complete the *MBT Penalty and Interest Computation for Underpaid Estimated Tax* (Form 4582) to compute penalty and interest due. If a taxpayer chooses not to file this form, Treasury will compute penalty and interest and bill for payment. (Form 4582 is available on the Web at [www.michigan.gov/taxes](http://www.michigan.gov/taxes).)

**Line 42:** Enter the annual return penalty rate in line 42a. Add the overdue tax penalty in line 42b to the overdue tax interest in line 42c. Enter total in line 42d.

Refer to the “Computing Penalty and Interest” section in Form 4599 to determine the annual return penalty rate and use the “Overdue Tax Penalty” and “Overdue Tax Interest” worksheets below.

**WORKSHEET – OVERDUE TAX PENALTY**

A. Tax due from Form 4590, line 40 .....		<b>00</b>
B. Late/extension or insufficient payment penalty percentage .....		<b>%</b>
C. Multiply line A by line B.....		<b>00</b>

Carry amount from line C to Form 4590, line 40b.

**WORKSHEET – OVERDUE TAX INTEREST**

A. Tax due from Form 4590, line 40 .....		<b>00</b>
B. Applicable daily interest percentage .....		<b>%</b>
C. Number of days return was past due ...		
D. Multiply line B by line C .....		
E. Multiply line A by line D .....		<b>00</b>

Carry amount from line E to Form 4590, line 42c.

**Line 42c: NOTE:** If the late period spans more than one interest rate period, divide the late period into the number of days in each of the interest rate periods identified in the “Computing Penalty and Interest” section in Form 4599, and apply the calculations in the “Overdue Tax Interest” worksheet separately to each portion of the late period.

Combine these interest subtotals and carry the total to Form 4590, line 42c.

**PART 3: REFUND OR CREDIT FORWARD**

**Line 44:** If the amount of the overpayment, less any penalty and interest due on lines 41 and 42d is less than zero, enter the difference (as a positive number) on line 43. If the amount is greater than zero, enter on line 44.

**NOTE:** If an overpayment exists, a taxpayer must elect a refund of all or a portion of the amount and/or designate all or a portion of the overpayment to be used as an estimate for the next MBT tax year. Complete lines 45 and 46 as applicable.

**Line 45:** If the taxpayer anticipates an MBT liability in the filing period subsequent to this return, some or all of any overpayment from line 44 may be credited forward to the next tax year as an estimated payment. Enter the desired amount to use as an estimate for the next MBT of Corporate Income Tax (CIT) tax year, whichever is applicable.

**Reminder:** Taxpayers must sign and date returns. Tax preparers must provide a Preparer Taxpayer Identification Number (PTIN), FEIN or Social Security number (SSN), a business name, and a business address and phone number.

**Other Supporting Forms and Schedules**

**Federal Forms:** Attach copies of these forms to the return.

- **Corporations:** U.S. Form 1120 (pages 1 through 4), Schedule D, Form 851, Form 4562, and Form 4797. If filing as part of a consolidated federal return, attach a pro forma or consolidated schedule.
- **S Corporations:** U.S. Form 1120-S (pages 1 through 4)\*, Schedule D, Form 851, Form 4562, Form 4797, and Form 8825.
- **Fiduciaries:** U.S. Form 1041 (pages 1 through 2), Schedule D, and Form 4797.
- **Limited Liability Companies:** Attach appropriate schedules shown above based on federal return filed.

\* Do not send copies of K-1s. Treasury will request them if necessary.