

MINNESOTA • REVENUE

Schedule M1MT, Alternative Minimum Tax 2012

Sequence #8

Your First Name and Initial

Last Name

Social Security Number

		Before you complete this schedule, read the instructions on the back.		Round amounts to the nearest whole dollar.
Additions	1	Federal adjusted gross income (from line 37 of federal Form 1040)	.....	1 _____
	2	Medical and dental adjustment (from line 2 of federal Form 6251)	.....	2 _____
	3	Other adjustments and preferences (combine lines 8 through 27 of federal Form 6251)	.....	3 _____
	4	Other additions from Schedule M1M (add lines 6, 7, 9, 13 and 15 of Schedule M1M)	.....	4 _____
	5	State and municipal bond interest from outside Minnesota (determine from worksheet in instructions)	.....	5 _____
	6	Intangible drilling costs (determine from instructions)	.....	6 _____
	7	Depletion (determine from instructions)	.....	7 _____
	8	Add lines 1 through 7	.....	8 _____
Allowable Federal Deductions	9	Medical and dental deduction (from line 4 of federal Schedule A)	.....	9 _____
	10	Investment interest expense (from line 14 federal Schedule A)	.....	10 _____
	11	Charitable contributions (from line 19 of federal Schedule A)	.....	11 _____
	12	Casualty and theft losses (determine from instructions)	.....	12 _____
	13	Impairment-related work expenses of a disabled person (included on line 28 of federal Schedule A)	.....	13 _____
Minnesota Subtractions	14	State income tax refund (from line 10 of federal Form 1040)	.....	14 _____
	15	Federal bonus depreciation subtraction (from line 21 of Schedule M1M)	.....	15 _____
	16	Net interest or mutual fund dividends from U.S. bonds (from line 18 of Schedule M1M)	.....	16 _____
	17	JOBZ zone business and investment income exemptions (from line 32 of Schedule M1M)	.....	17 _____
	18	Other subtractions from Schedule M1M (add lines 20, 22, 24-30, 33, 35 and 36 of Schedule M1M)	.....	18 _____
	19	Add lines 9 through 18	.....	19 _____
	20	Subtract line 19 from line 8	.....	20 _____
Determining Minnesota Alternative Minimum Tax	21	If married and filing a joint return, or qualifying widow(er): enter \$69,230 If married and filing a separate return: enter \$34,620 If single or head of household: enter \$51,930	.....	21 _____
	22	If married and filing a joint return, or qualifying widow(er): enter \$150,000 If married and filing a separate return: enter \$ 75,000 If single or head of household: enter \$112,500	.....	22 _____
	23	Subtract line 22 from line 20 (if result is zero or less, enter 0)	.....	23 _____
	24	Multiply line 23 by 25% (.25)	.....	24 _____
	25	Subtract line 24 from line 21 (if result is zero or less, enter 0)	.....	25 _____
	26	Subtract line 25 from line 20	.....	26 _____
	27	Multiply line 26 by 6.4% (.064)	.....	27 _____
	28	Tax from the table (from line 9 of Form M1)	.....	28 _____
	29	If line 27 is more than line 28, you must pay Minnesota alternative minimum tax. Subtract line 28 from line 27. Enter the result here and on line 10 of Form M1. (If line 28 is more than line 27, see instructions on how to continue)	.....	29 _____

If you are required to pay Minnesota alternative minimum tax, you must include this schedule and a copy of federal Form 6251 when you file your Form M1.

Schedule M1MT Instructions 2012

Who Must File Schedule M1MT

If you had to pay federal alternative minimum tax when you filed your federal Form 1040, 1040A or 1040NR, you must complete Schedule M1MT to determine if you are required to pay Minnesota alternative minimum tax.

You may be required to pay Minnesota alternative minimum tax even if you did not have to pay federal alternative minimum tax. This situation could occur if you deducted large gambling losses or mortgage interest on your federal return. Complete the steps on pages 12 and 14 of the M1 instruction booklet to determine if you are required to file Schedule M1MT.

Before you can complete Schedule M1MT, you must first complete Part I of federal Form 6251, even if you were not required to file Form 6251 with your federal return.

Line Instructions

Round amounts to the nearest whole dollar.

Line 5—Interest From Bonds of Another State or From its Governmental Units

To determine line 5, use the worksheet at the bottom of this page.

Lines 6 and 7

Effective for 1993 and thereafter, the computation of the federal alternative minimum tax does not include as tax preferences the excess intangible drilling costs or depletion from oil, gas and geothermal wells if the oil came from a nonintegrated oil company (a company that does not refine or sell at retail the oil produced). These two items are treated as tax preferences for the purpose of the Minnesota alternative minimum tax. Thus, you will have to compute preferences for depletion and intangible drilling costs under pre-1993 federal law.

Note: Do not include any amounts that are included on line 3 of this schedule.

Line 6—Intangible Drilling Costs

If, for regular tax purposes, you elected the optional 60-month write-off under section 59(e) of the Internal Revenue Code (IRC) for all property in this category, skip line 6. No adjustment is necessary.

Intangible drilling costs (IDCs) from oil, gas and geothermal wells are a tax preference item to the extent that the excess IDCs exceed 65 percent of the net income from the wells. The tax preference item is computed separately for oil and gas properties and for geothermal properties.

Excess IDCs are computed as follows:

- 1 Figure the amount of your IDCs allowed for regular tax purposes under IRC section 263(c), but do not include any section 263(c) deduction for nonproductive wells.
- 2 Subtract from step 1 the amount that would have been allowed had you amortized these IDCs over a 120-month period starting with the month the well was placed in production. If you prefer not to use the 120-month period, you can elect to use any method that is permissible in determining cost depletion.

Net income is determined by taking the gross income that you received or accrued during the tax year from oil, gas and geothermal wells and reducing it by the deductions allocable to these properties (reduced by the excess IDCs).

Note: When figuring net income, use only income and deductions allowed for alternative minimum tax purposes.

Line 7—Depletion

In the case of oil wells and other wells of nonintegrated oil companies, enter on line 7 the amount by which your depletion deduction under IRC section 611 exceeds the adjusted basis of the property at the end of your tax year. In computing your year-end adjusted basis, use the rules of IRC section 1016. However, do not reduce the adjusted basis by the current year's depletion.

Figure the excess amount separately for each property. Only depreciation that exceeds the adjusted basis of a property is treated as a tax preference amount.

Line 12—Casualty and Theft Losses

If you deducted casualty and theft losses on your federal Form 1040, add:

- Casualty and theft losses on federal Schedule A; and

- the amount included as a miscellaneous deduction on Schedule A for income-producing property casualty and theft losses.

Enter the result on line 12.

Line 29

Compare your Minnesota alternative minimum tax on line 27 to the tax from the table on line 28:

- **If line 28 is equal to or more than line 27**, you are *not* required to pay Minnesota alternative minimum tax for 2012. Enter zero on line 29.

—If you paid Minnesota alternative minimum tax in one or more years from 1989 through 2011, you should complete Schedule M1MTC to see if you are eligible for a credit.

—If you did not pay Minnesota alternative minimum tax in any year from 1989 through 2011, you are not required to file Schedule M1MTC.

- **If line 27 is more than line 28**, you are required to pay Minnesota alternative minimum tax for 2012.

Subtract line 28 from line 27. Enter the result on line 29 and on line 10 of Form M1.

Be sure to include this schedule and a copy of federal Form 6251 when you file Form M1.

Worksheet for Line 5

- 1 Add line 4 and line 5 of Schedule M1M _____
- 2 Of the amount on line 12 of federal Form 6251, determine the amount that is from non-Minnesota state and municipal bonds _____
- 3 Subtract step 2 from step 1. Enter the result on line 5 _____