

Name		Identifying Number	
1	Enter the amount of your manufacturer's sales tax credit carryover that was certified by the Wisconsin Department of Commerce	1	
2	Divide the amount on line 1 by 15.	2	
3	Enter amount of manufacturing investment credit passed through from tax-option (S) corporations (from Schedule 5K-1, line 13)	3	
4	Add lines 2 and 3. This is your 2012 manufacturing investment credit.	4	
4a	Fiduciaries - enter the amount of credit allocated to beneficiaries	4a	
4b	Fiduciaries - subtract line 4a from line 4	4b	
5	Carryover of unused manufacturing investment credit (see instructions)	5	
6	Add lines 4 and 5 (lines 4b and 5 if a fiduciary). This is the available manufacturing investment credit	6	

Instructions for 2012 Schedule MI

Purpose of Schedule MI

Use Schedule MI to claim the manufacturing investment credit. In order for the claimant to receive the credit, the claimant's business must have been certified by the former Department of Commerce (DOC).

Any individual, estate, trust, corporation, or tax-exempt organization whose business is certified by the DOC and had a manufacturer's sales tax credit carryover to 2006 of more than \$25,000 may be eligible for the credit.

Credit is Income

The credit computed on line 2 of Schedule MI is income and must be reported on your Wisconsin franchise or income tax return in the year computed. **(Note:** The amount on line 2 must be included in income for each taxable year for taxable years beginning in 2008 through taxable years beginning in 2022.)

Carryforward of Unused Credits

The manufacturing investment credit is nonrefundable. If you do not use your 1/15 share of the credit in a tax year, the unused portion may be carried forward for up to 15 years.

If there is a reorganization of a corporation claiming the manufacturing investment credit, the limitations provided by Internal Revenue Code section 383 may apply to the carryover of any unused credit.

Specific Line Instructions

Line 1. Fill in the amount of your manufacturer's sales tax credit carryover shown on the approved copy of your application to the DOC (this is your certification).

Line 3. Fill in the amount of manufacturing investment credit passed through from tax-option (S) corporations which computed the credit based on manufacturer's sales tax credit carryover from years when the entity did not pass the credit through to shareholders. This is the amount on Schedule 5K-1, line 13.

Line 4. For pass-through entities, special instructions apply to the amount on line 4.

Tax-option (S) corporations: For the portion of the amount on line 4 attributable to manufacturer's sales tax credit from taxable years beginning prior to January 1, 1998, prorate the credit among the shareholders based on their ownership interests. For the portion of the amount on line 4 attributable to manufacturer's sales tax credit from taxable years beginning on or after January 1, 1998, allocate the credit only among the shareholders that had more than \$25,000 in manufacturer's sales tax credit carryforward for their first taxable year beginning after December 31, 2005. Make this allocation in proportion to each shareholder's manufacturer's sales tax credit carryforward for its first taxable year beginning after December 31, 2005.

Partnerships and LLCs treated as partnerships: Allocate the credit only among the partners or members that had more than \$25,000 in manufacturer's sales tax credit carryforward for their first taxable year beginning after December 31, 2005. Make this allocation in proportion to each partner's or member's manufacturer's sales tax credit carryforward for its first taxable year beginning after December 31, 2005.

Line 4a and 4b. Fiduciaries: Allocate the credit between the estate or trust itself and its beneficiaries in proportion to their unused manufacturer's sales tax credit carryforward for their first taxable year beginning after December 31, 2005. Do not allocate the credit to any taxpayer (whether the taxpayer is an estate, trust, or beneficiary) that had \$25,000 or less in unused manufacturer's sales tax credit carryforward for its first taxable year beginning after December 31, 2005. Show the beneficiaries' portion of the credit on line 4a. Show the credit for each applicable beneficiary on Schedule 2K-1.

Show only the estate's or trust's portion of the credit on line 4b.

Line 5. Fill in the amount of manufacturing investment credit you computed in prior years which you could not use to offset your prior year's tax liability.

Line 6. Enter the amount of manufacturing investment credit from line 6 on the appropriate line of Schedule CR. If the claimant is a combined group member, enter the credit amount on Form 4M instead of Schedule CR.

Required Attachments to Return

File your completed Schedule MI with your Wisconsin franchise or income tax return. Also include a copy of your DOC certification to claim the credit.

For any amounts included on line 4 which are attributable to a business that is a tax-option (S) corporation, partnership, limited liability company treated as a partnership, or a trust, file a copy of the Schedule 5K-1, 3K-1, or 2K-1, as appropriate, with Schedule MI instead of the certification.

Additional Information

For more information, you may:

- E-mail your questions to corp@revenue.wi.gov
- Call (608) 266-2772 [TTY: Call the Wisconsin Telecommunications Relay System at 711. If no answer, dial 1-800-947-3529]
- Send a FAX to (608) 267-0834
- Write to the Audit Bureau, Wisconsin Department of Revenue, Mail Stop 5-144, PO Box 8906, Madison WI 53708-8906.