# **Application for Michigan Net Operating Loss Refund MI-1045**

Issued	under authori	ty of Public Act 281 ( Year (YYYY)	of 1967. Typ	oe or print in blue or black i	Month-Year (MM-YYYY)			Month-Year (MM-YYYY)
For I	oss year		or for	loss year beginning			and ending	
	First Name		M.I.	Last Name		Filer's		/ No. (Example: 123-45-6789)
								(=
If a Jo	int Return, Sp	ouse's First Name	M.I.	Last Name				
						Spous	se's Full Social Secu	urity No. (Example: 123-45-6789)
Home	Address (Nu	mber, Street, or P.O.	Box)					
							<del></del>	<del></del>
City o	r Town					State	ZIP Code	<b>)</b>
								ther years. Do not include
								netallic minerals extraction
				x, or a federal net oper				
PAR	Γ1: CON	IPUTING THE	NET OF	PERATING LOSS (N	OL) (see instructi	ons, pag	ge 2).	
	•							1. 00
								2. 00
3.								3. 00
			•	S. Schedules C and F)				4. 00
				chedule D)				5. 00
				Form <i>4797</i> )				6. 00
				ed in Adjusted Gross In				7. 00
				actatos trusto and C				8. 00 9. 00
				, estates, trusts and S				9. 00
10.		j., all state and l ation) Describe:		nds, alimony, taxable So	ocial Security, unen	npioymen	t	10.
11	•	•		lines 1 through 10				11.
		-		ents to Michigan-source				11.
		-	-	s an individual or self-e		2a	00	
	-		-	ax and self-employed h		2b.	00	
				ng expenses		2c.	00	
				early withdrawal of savi		2d.	00	
	e. Domestic production activities deduction (DPAD) sourced to Michigan 12e.						00	
	f. Other a	djustments to in	come incl	uding health savings a	ccount deduction 1	2f.	00	
13.	Total adju	stments. Add li	nes 12a th	nrough 12f				13. 00
				n line 11. If greater than				1400
15.	Nonbusin	ess deductions:	Add lines	12a, 12d and 12f	1	5	00	
16.	Nonbusin	ess income incl	uded in lir	ne 11		ı		
	a. Interest income       16a.       00         b. Dividend income       16b.       00							
		nd income						
		nbusiness capita						
	-	any allowable	-					
	d. Pension, IRA, and annuities       16d.       00         e. Alimony received       16e.       00							
	-				00			
17		come				17 [	Too	J
				es 16a through 16f		17.	00	4
۱ŏ.				over nonbusiness inco		18.	loc	,
19				er as a positive number		19.	00	<del></del>
				as a positive number)		20.	00	<del>-</del>
		~	-				100	21. 00
				14 and 21. If greater th			nave an NOL	22. 00

The Michigan NOL may be carried back or forward in the same manner as is allowed by the Internal Revenue Code (IRC), which is typically back two years and forward twenty. See U.S. Form 1045 for exceptions. An election to forego the carryback period must be filed in the same manner as required by the IRC (attach a statement to your return for the NOL year). Any loss in excess of income subject to Michigan tax must be carried forward to the next year.

Filer's Full Social Security Number	_	<del></del>

	lication for Refund From Carryback of Net Ope T 2: REDETERMINING MICHIGAN INCOME TA		Α	В	С
23.	Year to which NOL is being carried back				
24.	Reported federal AGI for the year indicated on line 23		00	00	00
25.	Additions from MI-1040, Schedule 1 and DPAD. Expla	ain:	00	00	00
26.	Balance. Add lines 24 and 25		00	00	00
27.	Subtractions from MI-1040, Schedule 1. Explain:		00	00	00
28.	Balance. Subtract line 27 from line 26		00	00	00
29.			00	00	00
30.	Balance. Subtract line 29 from line 28		00	00	00
31.	Michigan exemption allowance		00	00	00
	Taxable balance. Subtract line 31 from line 30		00	00	00
33.	Tax. Multiply line 32 by tax rate of carryback year. If less than zero, enter "0"		00	00	00
34.	Nonrefundable tax credits		00	00	00
35.	Tax due. Subtract line 34 from line 33.  If less than zero, enter "0"		00	00	00
36.	a. Refundable tax credits		00	00	00
	b. Tax withheld		00	00	00
	c. Tax paid with prior returns			00	
	d. Estimated tax payments		00	00	00
37.	Total of items 36a through 36d		00	00	00
	Tax previously refunded or carried to next year		00	00	00
	Balance of tax paid. Subtract line 38 from line 37		00	00	00
40.	Overpayment. Subtract line 35 from line 39		00	00	00
return	Dayer Certification. I declare under penalty of perjury that the and attachments is true and complete to the best of my knowledge.	e information in this	return is based on all i	ion. I declare under penal nformation of which I have a	
Filer's	s Signature C	Date	Preparer's PTIN, FEI	N or SSN	
Spouse's Signature		Date	Preparer's Business N	ame (print or type)	
Γ	By checking this box, I authorize Treasury to discuss my retu	urn with my preparer.	Preparer's Business A	ddress (print or type)	

### Line-by-Line Instructions for Parts 1 and 2

#### Part 1: Computing Net Operating Loss

To complete Part 1, use the entries on your U.S. Form 1040 for the year the loss occurred. **Do not include** income and losses sourced to other states, income and losses from oil and gas production and nonferrous metallic minerals extraction that are subject to Michigan severance tax, a federal net operating loss deduction (NOLD), or net operating loss deductions (NOLD) from other years.

**Line 10:** Include all state and local refunds, alimony, taxable Social Security, unemployment compensation, and other income in your federal adjusted gross income sourced to Michigan.

**Line 14:** Subtract line 13 from line 11. This amount will equal your federal AGI, less any federal NOLD, unless you have income or losses sourced to other states, income or losses subject to Michigan severance tax, or NOLDs from other years.

**Line 19:** The excess capital loss deduction must be calculated on a U.S. Form 1045 Schedule A, line 21 or 22, then entered on this line. An excess capital loss includes a U.S. Form 1040 Schedule D loss that is limited to \$3,000. The capital loss may be greater than \$3,000 if non-business capital losses were offset by business gains that are also reported on U.S. Form 1040 Schedule D.

**Line 20:** Enter as a positive number the domestic production activities deduction (DPAD) as calculated on line 12e.

### Part 2: Redetermining Your Michigan Income Tax

**Line 25:** Include any additions from Michigan Schedule 1. Also include DPAD attributable to Michigan.

Line 27: Include any subtractions from Michigan Schedule 1.

**Line 30:** If line 30 is less than zero, carry amount to line 29 in the next column. This amount cannot exceed line 29 of the preceding column.

Line 34: Enter the total of nonrefundable credits claimed on your original return.

**Line 36a:** Enter the total of refundable credits for homestead property tax, farmland preservation and any other refundable credits claimed for the tax year(s) to which you are carrying the loss. Any credit entered here must be adjusted for the NOLD adjustment to household income, if applicable. Be sure to attach your amended credit form.

**Line 36c:** For the year listed on line 23, enter total tax paid with Form MI-1040 plus any additional tax paid after original return was filed.

Mail your completed form to: Michigan Department of Treasury
Lansing, MI 48956

Filer's Full Social Security Number	
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Social Security Number		_	
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## Computation of Federal Modified Taxable Income (FMTI) for Household Income Only

NOTE: Do not complete Part 3 if you are electing to forego your carryback. Effective 2012, FMTI is not used and an NOL is not allowed in determining Total Household Resources.

### PART 3: ADJUSTING YOUR NOL FOR HOUSEHOLD INCOME

Sten	1. Figure Your FMTI	Α	В	С
•	Year to which NOL is being carried			
42.	Reported AGI for year shown on line 41 without NOLD	00	00	00
	a. Adjustments to AGI including DPAD (see instructions)	00	00	00
<del>7</del> 0.	b. Capital losses, in excess of capital gains (\$3,000 maximum)	00	00	00
44.	MODIFIED federal AGI. Add lines 42 and 43a or 43b	00	00	00
45.	a. Medical (see instructions for limitations)	00	00	00
₹5.	b. Taxes	00	00	00
	c. Contributions.	00	00	00
	d. Interest	00	00	00
	e. Casualty loss	00	00	00
	f. Moving expenses	00	00	00
	g. Miscellaneous (attach U.S. <i>Schedule A</i> ; see instructions)	00	00	00
	h. Limit on itemized deductions	00	00	00
	i. If you did not itemize, use the standard deduction	00	00	00
46.	Enter the total of of 45a through 45h, or 45i if you did not itemize	00	00	00
_	FMTI. Subtract line 46 from line 44. If less than zero, enter "0"	00	00	00
	2. Figure Your Carryback (If you are not carrying the loss back			1001
-	Unabsorbed NOL. Enter in column A your federal NOL as a			
40.	positive amount	00	00	00
40	NOL to be carried to next succeeding year through 2011.			
49.	Subtract line 47 from line 48. Carry the amount on this line to			
	the next column, line 48. If less than zero, enter "0"	00	00	00
Step	3. Figure Your Carryforward	1001	1001	100
-	Year the federal NOL occurred			
51.		00	00	00
52.	Total of all NOLDs used for previous years	00	00	00
_	Subtract line 52 from line 51. This is the remaining NOL that can			
	be carried forward to the year on line 41	00	00	00
54	Subtract line 47 (FMTI) from line 53. This is the remaining			
0 1.	NOL to carry forward. If less than zero, enter "0"	00	00	00

### **Line-by-Line Instructions for Part 3**

#### Part 3: Adjusting Your NOL for Household Income

Line 41: May be applied to tax years 2011 and prior only.

Line 42: Include NOL carryovers or carrybacks from earlier years.

Line 43a: Add back any domestic production activities deduction (DPAD). Also, adjustments to AGI, such as taxable Social Security benefits and IRA deductions, must be recalculated based on federal modified AGI.

Line 45: Use 45a through 45h if you itemized. If you didn't itemize, use 45i.

45a: Medical adjustments. The amount of medical adjustments allowed varies with federal law from year to year. You must recalculate your medical expense deduction based on modified federal AGI and the federal limitation in effect for the year entered on line 41.

45c: Percentage limitations on charitable contributions are based on modified federal AGI.

45g: Miscellaneous deductions are limited to 2 percent of AGI. This amount cannot exceed 2 percent of modified federal AGI.

**45h:** If modified AGI exceeds certain amounts, itemized deductions may be limited. See limitations in effect for the year entered on line 41.

Line 47: This is your FMTI. Your Michigan NOLD will be the amount on this line or the amount from line 48 (or line 53 for carryforwards), whichever is smaller. This amount cannot be less than zero.

Line 48: Enter your federal NOL in column A as a positive amount. Each succeeding year will be the excess portion (if any) from line 49 of the preceding column.

Line 49: Subtract line 47 from line 48. If the result is more than zero, this is the excess NOL to be carried forward to the next year. If it is less than zero, the NOLD is limited to the excess on line 48. This is the last year affected by the NOL.

NOTE: Effective January 1, 2012 an NOLD cannot reduce total household resources and is no longer used on Michigan Property Tax Credit and Home Heating Credit claims.

Line 54: If line 47 is less than line 53, subtract line 47 from line 53 and enter here; then use line 47 as your NOLD to recalculate your credit. If line 47 is greater than line 53 enter "0" and use line 53 as your NOLD to recalculate your Michigan credits.