

2017 MICHIGAN Business Tax Investment Tax Credit Recapture From Sale of Assets Acquired Under Single Business Tax

Issued under authority of Public Act 36 of 2007.

Taxpayer Name (If Unitary Business Group, Name of Designated Member)	Federal Employer Identification Number (FEIN) or TR Number
Unitary Business Groups Only: Name of Unitary Business Group Member Reporting on This Form	Federal Employer Identification Number (FEIN) or TR Number

PART 1: CALCULATION OF SINGLE BUSINESS TAX (SBT) INVESTMENT TAX CREDIT (ITC) RECAPTURE BASES

Each row in lines 1-3 is for assets acquired in an SBT tax year and disposed of this year. Enter years in date order, with the oldest listed first. Columns B and C are totals by acquisition year. Line 1, column D, and Line 2, column E: For all years, enter MBT apportionment percentage from Form 4567, line 11c. Enter amounts in whole dollars (no cents).

Depreciable Tangible Assets

1. A	B	C	D	E	F
Taxable Year (End Date) In Which Disposed Assets Were Acquired (MM-DD-YYYY)	Combined Sales Price of Disposed Assets by Year of Acquisition	Net Gain/Loss From Sale of Assets	Apportionment Percentage <i>From Form 4567, line 11c</i>	Apportioned Gain/Loss <i>Multiply Column C by Column D</i>	SBT ITC Recapture (Base 1) <i>Subtract Column E From Column B</i>

Depreciable Mobile Tangible Assets

2. A	B	C	D	E	F
Taxable Year (End Date) In Which Disposed Assets Were Acquired (MM-DD-YYYY)	Combined Sales Price of Disposed Assets by Year of Acquisition	Net Gain/Loss From Sale of Assets	Adjusted Proceeds <i>Subtract Column C From Column B</i>	Apportionment Percentage <i>From Form 4567, line 11c</i>	SBT ITC Recapture (Base 2) <i>Multiply Column D by Column E</i>

Assets Transferred Outside Michigan

3. A	B
Taxable Year (End Date) In Which Disposed Assets Were Acquired (MM-DD-YYYY)	SBT ITC Recapture Combined Adjusted Federal Basis of Disposed Assets by Year of Acquisition (Base 3)

FEIN or TR Number	
UBG Member FEIN or TR Number	

PART 2: CALCULATION OF SBT ITC RECAPTURE RATES

Enter amounts from ALL prior SBT C-8000ITC forms filed for tax years beginning on or after January 1, 2000. Enter SBT tax years in date order. Enter amounts in whole dollars only (no cents).

4.	A Return For Taxable Year Ending (MM-DD-YYYY)	B Net Capital Investment (C-8000ITC, Line 24)	C SBT ITC (C-8000ITC, Line 33)	D SBT ITC Used (C-8000ITC, Line 36)	E Effective Percentage Rate of SBT ITC by Year
					%
					%
					%
					%
					%
					%
					%
					%
					%
					%

Enter amounts from Form 4569, line 3, for all periods ending in 2008 or 2009.

5.	A Return For Taxable Year Ending (MM-DD-YYYY)	B SBT ITC Carryforward Used (Form 4569, line 3)

PART 3: CALCULATION OF SBT ITC RECAPTURE AMOUNTS

Enter amounts in whole dollars only (no cents).

6.	A Taxable Year (End Date) In Which Disposed Assets Were Acquired (MM-DD-YYYY)	B Total SBT ITC Recapture Base by Year of Acquisition <i>Add Amounts from Columns 1F, 2F and 3B</i>	C Year-Specified Recapture Percentage Rate from Line 4, Column E	D Recapture Amount <i>Multiply Column B by Column C</i>
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	

7. TOTAL. Enter total of Line 6, column D. Add this amount to the total of Form 4570, Worksheet 2 (in instructions), column U, if applicable, and carry the sum to Form 4570, line 19 7. 00

Instructions for Form 4585

Michigan Business Tax (MBT) Investment Tax Credit Recapture From Sale of Assets Acquired Under Single Business Tax

Purpose

To calculate the Investment Tax Credit (ITC) recapture amount for the disposition or transfer of tangible, depreciable real or personal property acquired in tax years beginning after 1999 and prior to 2008 which must be recaptured to the extent used and at the rate used under the Single Business Tax (SBT) or MBT. Form 4585 must be filed as a supporting form for the total recapture amount reported on the *MBT Credits for Compensation, Investment and Research and Development* (Form 4570).

NOTE: Recapture is mandatory even if a taxpayer is otherwise not required to file a return because it does not meet the filing threshold of \$350,000.

Public Act 282 of 2014

PA 282 of 2014 provides for a change to the Investment Tax Credit (ITC) Recapture. For assets purchased, acquired, or transferred into Michigan in a tax year beginning after December 31, 2007, that were sold or otherwise disposed of, or transferred outside Michigan during the tax year, recapture is now required to the extent and at the rate the credit was used under the MBT. The amount on line 7 of this form will be used on Form 4570. Taxpayers need to take special care to read the instructions for Form 4570, line 19.

Line-by-Line Instructions

Lines not listed are explained on the form.

REMINDER: Report all amounts in whole dollars. Round down amounts of 49 cents or less. Round up amounts of 50 cents or more. If cents are entered on the form, they will be treated as whole dollar amounts.

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

Name and Account Number: Enter name and account number as reported on page 1 of Form 4567.

UBGs: Complete one form for each member that disposed of capital assets that trigger SBT ITC credit recapture. Enter the Designated Member (DM) name in the Taxpayer Name field and the specific member of the UBG for which this form is filed on the line below. On the copy filed to report the DM's data (if applicable), enter the DM's name and account number on each line.

UBGs: If capital asset subject to recapture is from a member that was not part of the group in the tax year the asset was acquired (and other years since the acquisition), take care to report in this line (and the others that pertain to years the member was not part of the group) information requested in each column only from the member's single filings, not the group's.

PART 1: CALCULATION OF SBT ITC RECAPTURE BASES

In Part 1, compute the adjusted proceeds (proceeds include any

benefit derived) from the disposition of tangible, depreciable real or personal property that was acquired in a tax year beginning after 1999 and prior to 2008, and the recapture for property moved out of state. The calculation of gross proceeds may be reduced by selling expenses. Lines 1, 2, and 3 represent three different categories of SBT ITC assets, categorized by type of asset or nature of disposition.

NOTE: A sale of qualifying property reported on the installment method for federal income tax purposes causes a recapture of the entire gross proceeds in the year of the sale. The recapture is reduced by any gain reported in federal taxable income in the year of the sale. The gain attributable to the installment sale that is reported in subsequent years increases the credit base (or reduces other sources of recapture) for those years, and must be reported either on line 1, column C, or line 2, column C, based on the type of asset.

Line 1: For depreciable tangible assets located in Michigan that were acquired or moved into Michigan after acquisition in a tax year beginning after 1999 and prior to 2008, and were sold or otherwise disposed of during the tax year, enter the following:

- **Column A:** Separate the depreciable tangible assets that were disposed of during the filing period by the tax year in which they were acquired. Use a separate row for each acquisition year. Enter the tax years of acquisition (end dates only) in chronological order, starting with the first tax year beginning after 1999. An acquisition year for which there were no dispositions of depreciable tangible assets during the filing period may be omitted. However, do not omit the acquisition year of depreciable tangible assets that have been sold on an installment method if gains attributable to installment payments received during the current filing period must be reported.
- **Column B:** Total gross proceeds from all depreciable tangible assets that were acquired in the same taxable year and disposed of during the filing period. If a qualifying asset was sold on an installment sale in a prior filing period, the entire sale price was reported for recapture purposes in the year of sale. Therefore, if a payment was received on that installment sale in the current filing period, do not report that amount as gross proceeds for this period. See Column C, however, with respect to the gain from that installment payment.
- **Column C:** Net total gains/losses reflected in federal taxable income from all depreciable tangible assets that were acquired in the same taxable year and disposed of during the filing period. Report also in column C any gain reflected in federal taxable income that is attributed to an installment payment received during the current MBT filing period, from a prior installment sale of an asset that was of a type and acquisition date covered by line 1. For property placed in service prior to January 1, 2008, gain reflected in federal taxable income is equal to the gain reported for federal purposes.

Keep in your files a separate worksheet with the appropriate information regarding each depreciable tangible asset located in Michigan that was acquired or moved into Michigan after acquisition in a tax year beginning after 1999 and prior to 2008, and was sold or otherwise disposed of during the tax year. Sum the total gross proceeds and gain or loss for all disposed assets acquired in the same taxable year. Enter in this form only the total sum of gross proceeds and gain/loss grouped by taxable year the assets were acquired. Use one row per group of disposed assets acquired in the same taxable year. Start from the earliest acquisition year.

- **Column D:** Enter the apportionment percentage from Form 4567, line 11c. If not apportioning, enter 100 percent. Enter the same apportionment percentage for each row completed.
- **Column F:** Subtract column E from column B for each row. If column E is a loss, add its positive value to column B for each appropriate row. A loss in column E will increase the recapture base.

Line 2: *Mobile tangible assets* are all of the following:

- Motor vehicles that have a gross vehicle weight rating of 10,000 pounds or more and are used to transport property or persons for compensation;
- Rolling stock (railroad freight or passenger cars, locomotives or other railcars), aircraft, and watercraft used by the owner to transport property or persons for compensation or used by the owner to transport the owner's property for sale, rental, or further processing;
- Equipment used directly in completion of, or in construction contracts for, the construction, alteration, repair, or improvement of property.

For depreciable mobile tangible assets that were acquired in a tax year beginning after 1999 and prior to 2008, and were sold or otherwise disposed of during the tax year, enter the following:

- **Column A:** Separate the depreciable mobile tangible assets that were disposed of during the filing period by the tax year in which they were acquired. Use a separate row for each acquisition year. Enter the tax years of acquisition (end dates only) in chronological order, starting with the first tax year beginning after 1999. An acquisition year for which there were no dispositions of depreciable mobile tangible assets during the filing period may be omitted. However, do not omit the acquisition year of depreciable mobile tangible assets that have been sold on an installment method if gains attributable to installment payments received during the current filing period must be reported.
- **Column B:** Total gross proceeds from all depreciable mobile tangible assets that were acquired in the same taxable year and disposed of during the filing period. If a qualifying asset was sold on an installment sale in a prior filing period, the entire sale price was reported for recapture purposes in the year of sale. Therefore, if a payment was received on that installment sale in the current filing period, do not report that amount as gross proceeds for this period. See Column C, however, with respect to the gain from that installment payment.

- **Column C:** Net total gains/losses reflected in federal taxable income from all depreciable mobile tangible assets that were acquired in the same taxable year and disposed of during the filing period. Report also in column C any gain reflected in federal taxable income that is attributed to an installment payment received during the current MBT filing period, from a prior installment sale of an asset that was of a type and acquisition date covered by line 2. For property placed in service prior to January 1, 2008, gain reflected in federal taxable income is equal to the gain reported for federal purposes.

Keep in your files a separate worksheet with the appropriate information regarding each depreciable mobile tangible asset acquired in a tax year beginning after 1999 and prior to 2008, and sold or otherwise disposed of during the tax year. Sum the total gross proceeds and gain or loss for all disposed assets acquired in the same taxable year. Enter in this form only the total sum of gross proceeds and gain or loss grouped by taxable year the assets were acquired. Use one row per group of disposed assets acquired in the same taxable year. Start from the earliest acquisition year.

- **Column D:** Subtract figures in column C from figures in column B for each row. If column C is a loss, add its positive value to column B for each appropriate row. A loss in column C will increase the recapture.
- **Column E:** Enter the apportionment percentage from Form 4567, line 11c. Enter the same apportionment percentage for each row you have filled columns A through D.
- **Column F:** Multiply figures in column D by column E for each row.

Line 3: For depreciable tangible assets other than mobile tangible assets acquired in tax years beginning after 1996 and prior to 2008, that were eligible for the ITC in tax years beginning after 1999 and prior to 2008, and were transferred outside Michigan during the tax year, enter the following:

- **Column A:** Separate the depreciable tangible assets other than mobile tangible assets that were transferred out of Michigan during the filing period by the tax year in which they were acquired. Use a separate row for each acquisition year. Enter the tax years of acquisition (end dates only) in chronological order, starting with the first tax year beginning after 1999. An acquisition year for which there were no transfers of depreciable tangible assets out of Michigan during the filing period may be omitted.
- **Column B:** Total sum of adjusted federal basis from all depreciable tangible assets acquired in the same taxable year and transferred out of Michigan during the filing period.

Keep in your files a separate worksheet with the appropriate information regarding each depreciable tangible asset other than mobile tangible assets acquired in tax years beginning after 1999 and prior to 2008, that were eligible for the ITC in tax years beginning after 1999 and prior to 2008, and were transferred outside Michigan during the tax year. Sum the total adjusted federal basis for all such transferred assets acquired in the same taxable year. Enter in this form only the total sum of adjusted federal basis grouped by taxable year the assets were acquired. Use one row per group of such transferred assets acquired in the same taxable year. Start from the earliest taxable year.

PART2: CALCULATION OF SBT ITC RECAPTURE RATES

Recapture rates can be calculated using any of 3 methods described in the “Method Summary Table” below. The Table highlights the methods’ pros and cons. Choose your method, and follow the appropriate instructions to calculate the rates on line 4, column E.

NOTE: Whichever method used, the calculated effective recapture rate of SBT ITC by year cannot be higher than the figure calculated under Method A for any year.

NOTE ON USING SIMPLEST METHOD: When amount of SBT ITC used equals the amount of SBT ITC created, the three methods yield the same result. This occurs in any of the following situations:

- **Calendar year filer(*):** 2009 *MBT Single Business Tax Credit Carryforwards* (Form 4569), lines 2 and 3, are equal for the latest 2009 tax year return filed;
- **Fiscal year filer(*):** 2008 MBT Form 4569, line 4, equals zero for the latest 2009 tax year return filed;
- Filers(**) who created SBT ITC credits and have filed an *MBT Simplified Return* (Form 4583) for either 2008 or 2009 tax year; or
- Filers(**) who created SBT ITC credits, have NOT filed 2008 or 2009 MBT return, and have filed MBT return(s) for tax year(s) after 2009.

(* *For UBGs, the condition applies only for groups where all members were included in every 2008 and 2009 MBT return filed by the group.*

(** *Filers refers to single filers (non-UBGs) or UBG members in the current tax year who were not part of a group in 2008 or 2009 and were single filers then. To preserve the SBT credit carryforward from one year to the next the taxpayer is required to file Form 4567.*

The simplest method that can be used is Method A. Taxpayers that meet any of the situations above should use Method A. It provides correct results using the least amount of data input from the taxpayer.

Complete line 4 and line 5 according to the method chosen, as explained below:

- **Method A:**
 - **Line 4, columns A through D:** Enter the tax year end date of each acquisition year of disposed assets that triggered SBT ITC recapture. (Those dates should be the same as appear in column A of lines 1-3.) For each year displayed in column A, enter Form C-8000ITC (*SBT Investment Tax Credit*) information required in the appropriate column, using return data specific from each applicable tax year. If the amount of column C is zero for a particular year, and the amount on C-8000ITC, line 10 for that year is larger than zero, taxpayers may not enter zero on column E if the taxpayers fall in either of the two categories explained below, and must do the appropriate calculations as follows:
 - 1) Taxpayers used the straight method to calculate the SBT liability for that taxable year: calculate the credit rate as instructed on C-8000ITC, line 26 for that taxable year, and enter the result on column E; or
 - 2) Taxpayer used the excess compensation reduction method to calculate the SBT liability for that taxable year: calculate the credit rate on C-8000ITC, line 26, for that taxable year; subtract the percentage found on C-8000S, line 6, from 100%, and multiply the result of that subtraction by the calculated credit rate on C-8000ITC, line 26. Enter the result on column E.
 - **Line 5, columns A and B:** Leave lines blank.

METHOD SUMMARY TABLE

TYPE OF METHOD	PROS	CONS
Method A	<ul style="list-style-type: none"> • Easy to calculate. • Taxpayer or UBG member disposing of ITC asset only need to enter information on line 4 for years in which assets that trigger recapture were acquired. 	<ul style="list-style-type: none"> • Method does not take into account the extent to which the ITC was used.
Method B	<ul style="list-style-type: none"> • Takes into account the extent to which the ITC was used. 	<ul style="list-style-type: none"> • Taxpayers must fill lines 4, 5, 6, Table I at the end of the instructions, and enter necessary information in Treasury webtool. (www.michigan.gov/mbt4585tool) • Information on line 4 must be entered for all years in which assets were bought and ITC was claimed, whether or not those assets were disposed in the current tax year.
Method C	<ul style="list-style-type: none"> • Taxpayers complete line 4, column E. 	<ul style="list-style-type: none"> • Taxpayer needs to develop own calculation procedure that reflects the MBT statute. Retain records to substantiate calculation.

- **Line 4, column E:** Divide the amount in column C by the amount in column B, for each taxable year in column A, and enter as a percentage.

• **Method B:**

- **Line 4, columns A through D:** Gather all C-8000ITC forms filed for tax years beginning on or after January 1, 2000. (If an amended C-8000ITC was filed, use the figures from the amended form, not the original.) Sort all the returns in chronological order of taxable year end date, from earliest to latest date. Starting with the Form C-8000ITC for the earliest applicable SBT filing period, enter the information requested on the table for each taxable year (use one row for each return).

NOTE: For SBT tax years when the taxpayer filed a C-8000 (*SBT Annual Return*) with no C-8000ITC, or a C-8030 (*SBT Notice of No SBT Return Required*), enter on line 4A the taxable year end date, and enter zero for lines 4B, 4C, and 4D. Do not enter any information on lines 4A through 4D for SBT tax years in which the taxpayer filed nothing OR filed a C-8044 (*SBT Simplified Return*). If more than one return was filed for the same tax year (that is, the taxpayer filed an amended return), use only the information from the latest return filed for that tax year.

- **Line 5, columns A and B:** Starting with Form 4569 for the earliest 2008 and latest 2009 applicable MBT filing period, enter the information requested on table. If more

than one return was filed for the same tax year (that is, the taxpayer filed an amended return), use only the information from the latest return filed for that tax year.

NOTE: For MBT tax years the taxpayer filed Form 4567 and no Form 4569, enter on line 5A the taxable year end date, and enter zero for line 5B. Do not enter any information on lines 5A and 5B for MBT years in which the taxpayer filed nothing or filed a Form 4583. See **Note on Using Simplest Method** under the heading **Calculation of SBT ITC Recapture Rates** on these instructions. Not filing a Form 4567 does not allow a taxpayer to preserve SBT credit carryforward from one year to the next.

UBGs: During tax years ending in 2008 and 2009, UBG groups were allowed to offset the group liability by claiming member's SBT ITC credit carryforward. When completing line 5, column B, enter the portion of the total group SBT ITC credit carryforward used by the group for each year that pertains to the specific member that is completing Form 4585. If the member completing Form 4585 was not part of a UBG in 2008 and/or 2009 tax years, and filed as a non-UBG filer, take care to report on lines 5A and 5B information from the member's singly filed returns. Likewise, if the member completing Form 4585 was part of another UBG in 2008 and/or 2009 tax years, take care to report on line 5A and 5B member information resulting from using the other UBG's returns information.

Example: In 2008, group ABC files MBT return claiming

Table I: Determining Credit Amount that Offsets Credit Recapture

7.	A	B	C	D
	Taxable Year (End Date) In Which MBT ITC Disposed Asset Was Acquired (MM-DD-YYY)	SBT Capital Investment Amount (C-8000ITC, line 10)	SBT ITC Credit Rate Divide line 4, column C, by line 4, column B (See Instructions if zero)	Gross SBT ITC Credit Amount Multiply column B by column C

8.	E	F	G	H
	Taxable Year (repeat from column A)	SBT Recapture Capital Investment Amount (C-8000ITC, line 23)	Gross SBT ITC Credit Recapture Multiply column F by column C	SBT Recapture Amount Offset by Credit Lesser of columns D and G

9.	I	J	K	L	M
	Taxable Year (repeat from column A)	SBT ITC Credit Amount That offsets SBT liability (from webtool)	Total SBT ITC Credit Amount Used Add columns J and H	Extent Credit Used Rate Divide column K by column D (cannot be more than 1)	SBT ITC Recapture Rate Multiply columns C and L. Carry amount to Worksheet 4a, line 4, column E

\$1,000,000 in SBT ITC credit carryforward. The group consisted of Company 1, Company 2, Company 3, and Company 4. Company 4's tax year ended after the tax year of the group's Designated Member, so Company 4's data was not included in group ABC's 2008 MBT return, even though Company 4 was part of the UBG. The total \$1,000,000 in SBT ITC credit carryforward resulted from the sum of \$200,000 in SBT ITC credit carryforward from Company 1, \$300,000 from Company 2, and \$500,000 from Company 3. In the current year, Companies 2, 3, and 4 dispose of capital investment outside of the UBG, which triggers SBT ITC credit recapture. In the current year, group ABC files MBT returns. The UBG fills one MBT Form 4585 for each Company 2, Company 3, and Company 4, in which is reported the SBT ITC credit recapture from each member. When filling Form 4585, line 5, column B for Company 2, report \$200,000 – which represents the portion of the total SBT ITC credit carryforward claimed by the group in 2008 that corresponds only to Company 2's SBT ITC credit carryforward in 2008. When filling Form 4585, line 5, column B for Company 3, report \$500,000 – which represents Company 3's portion of the total SBT ITC credit carryforward claimed by the group in 2008. When filling Form 4585, line 5B for Company 4, report \$0 – which represents Company 4's portion of the total SBT ITC credit carryforward claimed by the group in 2008.

- **Line 4, column E:** For each taxable year, enter the rates calculated on Table I, line 9, column M.
- **Filling Table I at the end of these Instructions** (lines and columns not listed are explained on the table):
 - **Line 7, column A:** Enter only taxable years in which SBT ITC disposed assets were acquired. Dates should match those listed on lines 1, 2, and 3, columns A. List each date only once.
 - **Line 7, column C:** For each taxable year on line 6, column A, find the corresponding SBT ITC amount reported on line 4, column C, and Net Capital Investment amount reported on line 4, column B. Divide amounts from line 4, column C by amounts from line 4, column B for each taxable year and enter results here. If the quotient of that division for a particular tax year listed equals zero, and the amount on line 7, column B is positive, instead of zero, enter the following on line 7, column C as appropriate:
 - 1) Taxpayer used the straight method to calculate the SBT liability for that taxable year: calculate the credit rate on C-8000ITC, line 26 for that taxable year, and enter the result here;
 - 2) Taxpayer used the excess compensation reduction method to calculate the SBT liability for that taxable year: calculate the credit rate on C-8000ITC, line 26, for that taxable year; subtract the percentage found on C-8000S (*SBT Deductions to Adjusted Tax Base*), line 6, from 100%, and multiply the result of that subtraction by the calculated credit rate on C-8000ITC, line 26. Enter the result here.

- **Line 9, column J:** Enter amount of ITC credit used provided by the webtool that corresponds to each taxable year displayed on line 9, column I. Access the Michigan Department of Treasury (Treasury) Web tool by going to the Treasury site (www.michigan.gov/mbt4585tool), and enter the necessary information as instructed).
- **Line 9, column M:** For each taxable year on line 9, column I, multiply line 7, column C by line 9, column L. Enter results here. Match the taxable year on line 9, column I with the taxable year on line 4, column A, and carry amount from line 9, column M to line 4, column E for each appropriated tax year line.

• **Method C:**

- **Line 4, columns A through D:** Fill column A, and leave all others blank.
- **Line 5, columns A and B:** Leave lines blank.
- **Line 4, column E:** Enter results from the taxpayer's own software of choice (that is, a non-Treasury Web tool) or the taxpayer's own calculation that reflects the MBT statute. Retain records to substantiate figures entered in the filed return.

PART3: CALCULATION OF SBT ITC RECAPTURE AMOUNTS

Line 6: Follow the instructions below:

Column A: Enter in chronological order, beginning with the earliest, the tax year end date of each acquisition year of disposed assets that triggered SBT ITC recapture from lines 1-3.

Column B: Separately for each acquisition year listed in column A, combine the corresponding amounts in line 1, column F, line 2, column F, and line 3, column B for all disposed assets that triggered SBT ITC recapture.

Column C: For each acquisition year listed in column A, enter the corresponding SBT ITC effective rate from line 4, column E. Match the acquisition year in line 6, column A, with the corresponding acquisition year in line 4, column A.

Column D: Multiply column B by column C for each acquisition year.

Line 7: Add figures in each row of line 6, column D, and enter the total here.

If no assets purchased in MBT years were disposed of or transferred out of Michigan this year, carry the amount reported on this line to Form 4570, line 19.

If any assets purchased in MBT years were disposed of or transferred out of Michigan this year, add the amount reported on line 7 of this form to the sum of amounts calculated on Column U of Worksheet 2 in the instructions of Form 4570. Report the sum of those two figures on Form 4570, line 19. This calculation change implements a requirement of Public Act 282 of 2014.

Include completed Form 4585 as part of the tax return filing.