

# 2025 MICHIGAN Business Tax Credits for Compensation, Investment, and Research and Development

Issued under authority of Public Act 36 of 2007.

Taxpayer Name	Federal Employer Identification Number (FEIN) or TR Number
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1. Tax liability before the Compensation and Investment Tax Credits from Form 4568, line 3.....	1.		00
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**PART 1: COMPENSATION CREDIT.** If not claiming this credit, go to Part 2.

2. Michigan Compensation.....	2.		00
3. Multiply line 2 by 0.37% (0.0037). .....	3.		00

**PART 2: INVESTMENT TAX CREDIT**

Read instructions to ensure eligibility before claiming this credit. If not claiming this credit, carry amount from line 3 to line 21.

**Capital Investments**

4. Total eligible depreciable tangible assets <b>located in Michigan</b> that were acquired during the tax year (from line 35). .....	4.		00
5. Total eligible depreciable tangible assets purchased or acquired for use outside of Michigan in a tax year beginning after December 31, 2007, that were <b>transferred into Michigan</b> during the tax year (from line 36)....	5.		00
6. Total eligible depreciable <b>mobile tangible assets</b> that were acquired during the tax year (from line 37).....	6.		00
7. <b>Mobile Tangible Assets.</b> If subject to apportionment, multiply line 6 by the percentage from Form 4567, line 11c. If not subject to apportionment, enter amount from line 6 .....	7.		00
8. <b>Total Capital Investments.</b> Add lines 4, 5 and 7.....	8.		00
9. Total cost paid or accrued of all depreciable real and personal property located everywhere that was acquired during the tax year (authorized under MCL 208.1513(3)) .....	9.		00

LINE 9 IS FOR STATISTICAL PURPOSES ONLY AND SHOULD NOT BE USED IN ANY CALCULATION ON THIS FORM.

**Recapture of Capital Investments Acquired or Transferred into Michigan During the Tax Year**

10. Adjusted Proceeds from recapture of eligible depreciable tangible assets located in Michigan that were acquired or transferred into Michigan during the tax year and were also sold or otherwise disposed of during the tax year (from line 39).....	10.		00
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**If subject to apportionment, complete lines 11 and 12; otherwise, go to line 13.**

11. Apportioned gains/losses. Multiply line 38, column F, by the percentage from Form 4567, line 11c.....	11.		00
12. Apportioned Adjusted Proceeds. If line 11 is a gain, subtract it from line 38, column E. If line 11 is a loss, add its positive value to line 38, column E.....	12.		00
13. Adjusted Proceeds from recapture of eligible depreciable mobile tangible assets acquired during the tax year that were sold or otherwise disposed of during the tax year (from line 41) .....	13.		00

**If subject to apportionment, complete line 14; otherwise, go to line 15.**

14. Apportioned Adjusted Proceeds. Multiply line 13 by percentage from Form 4567, line 11c.....	14.		00
15. Adjusted Federal Basis of eligible depreciable tangible assets (other than mobile tangible assets) acquired during the tax year that are eligible for the Investment Tax Credit and are transferred outside Michigan during the tax year (from line 42).....	15.		00
16. <b>Recapture of Capital Investments.</b> Add lines 10, 13, and 15. Or, if taxable in another state, add lines 12, 14, and 15 .....	16.		00

**Net Capital Investments**

17. <b>Net MBT Capital Investment.</b> Subtract line 16 from line 8 .....	17.		00
18. Multiply line 17 by 2.9% (0.029) .....	18.		00
19. Net Recapture Amount. Enter sum of amounts from Worksheet 2, total of column U, and Form 4585, line 7.....	19.		00
20. Subtract line 19 from line 18. If negative, carry amount to Form 4568, line 4b .....	20.		00

**PART 3: REDUCED COMPENSATION AND INVESTMENT TAX CREDITS**

21. Add lines 3 and 20. If line 20 is negative, enter amount from line 3 .....	21.		00
22. Enter amount from Form 4567, line 51, or Form 4590, line 22.....	22.		00
23. There is no amount to be entered on this line. Skip to line 24.....	23.	XXXXXXXXXX	00
24. Enter amount from line 22 .....	24.		00
25. Multiply line 24 by 52% (0.52) .....	25.		00
26. <b>Allowable Credit.</b> Enter lesser of line 21 or line 25. Carry amount to Form 4568, line 4a .....	26.		00
27. If line 20 is negative, enter amount from line 20 as a positive number. If line 20 is positive, leave this line blank...	27.		00
28. Tax After Compensation and Investment Tax Credits. Subtract line 26 from line 1 and add line 27 .....	28.		00

**PART 4: RESEARCH AND DEVELOPMENT CREDIT**

29. Research and development expenses in Michigan .....	29.		00
30. Multiply line 29 by 1.9% (0.019) .....	30.		00
31. Multiply line 24 by 65% (0.65) .....	31.		00
32. Ceiling for Research and Development Credit. Subtract line 26 from line 31 .....	32.		00
33. <b>Research and Development Credit.</b> Enter the lesser of line 30 or line 32. Carry amount to Form 4568, line 5 .....	33.		00
34. Tax After Research and Development Credit. Subtract line 33 from line 28. (This line must be equal to Form 4568, line 6.) .....	34.		00

**Table 1** - Enter all eligible depreciable tangible assets **located in Michigan** that were acquired during the tax year.

A Description	B City	C Date Acquired (MM-DD-YYYY)	D Cost Paid or Accrued During Tax Year
35. <b>Total</b> of column D. Carry amount to line 4, page 1.....			35. <input style="width: 50px; height: 15px;" type="text" value="00"/>

**Table 2** - Enter all eligible depreciable tangible assets purchased or acquired for use outside of Michigan in a tax year beginning after December 31, 2007, that were **transferred into Michigan** during the tax year.

A Description	B City	C Date Physically Located in Michigan (MM-DD-YYYY)	D Federal Adjusted Basis as of Date Transferred
36. <b>Total</b> of column D. Carry amount to line 5, page 1.....			36. <input style="width: 50px; height: 15px;" type="text" value="00"/>

**Table 3** - Enter all eligible depreciable **mobile tangible assets** that were acquired during the tax year.

A Description	B State	C Date Acquired (MM-DD-YYYY)	D Cost Paid or Accrued During Tax Year
37. <b>Total</b> of column D. Carry amount to line 6, page 1.....			37. <input style="width: 50px; height: 15px;" type="text" value="00"/>

**Table 4** - Enter all eligible depreciable tangible assets located in Michigan that were acquired or transferred into Michigan during the tax year and were also sold or otherwise disposed of during the tax year. (Enter dates as MM-DD-YYYY.)

A Description	B City	C Date Acquired	D Date Sold	E Gross Sales Price	F Gain/Loss	
38. Totals of columns E and F. A loss in column F will increase recapture.....				38.	00	00
39. Adjusted Proceeds. If line 38, column F, is a gain, subtract it from line 38, column E. If line 38, column F, is a loss, add its positive value to line 38, column E. Carry amount to line 10, page 1.....				39.		00

**Table 5** - Enter all eligible depreciable mobile tangible assets acquired during the tax year that were also sold or otherwise disposed of during the tax year. (Enter dates as MM-DD-YYYY.)

A Description	B State	C Date Acquired	D Date Sold	E Gross Sales Price	F Gain/Loss	
40. Totals of columns E and F. A loss in column F will increase recapture.....				40.	00	00
41. Adjusted Proceeds. If line 40, column F, is a gain, subtract it from line 40, column E. If line 40, column F, is a loss, add its positive value to line 40, column E. Carry amount to line 13, page 1.....				41.		00

**Table 6** - Enter all eligible depreciable tangible assets (other than mobile tangible assets) acquired during the tax year that are eligible for the Investment Tax Credit and were transferred outside Michigan during the tax year. (Enter dates as MM-DD-YYYY.)

A Description	B City	C Date Acquired	D Date Transferred	E Federal Adjusted Basis	
42. Adjusted Federal Basis. Total of column E. Carry amount to line 15, page 1.....				42.	00