2017 MUSKEGON
INDIVIDUAL INCOME TAX RETURN
FORMS AND INSTRUCTIONS
FORM M-1040 AND FORM M-1040EZ

ALL PERSONS HAVING $600.00 OR MORE OF MUSKEGON TAXABLE INCOME DURING 2017 MUST FILE A RETURN

FILING DATE

You have a choice of three different donation programs. You can only donate to one program. You must check the box for the program that you want to support. Your choices are: ***1. Lakeshore Trail Improvements:*** You can help purchase additional signs and materials for the trail that winds along the lake with spectacular views. ***2. Muskegon Farmer's Market Capital Improvement Fund:*** Donations will help make capital improvements to the downtown Farmer's Market. ***3. Muskegon's Dog Beach:*** Donations will help maintain this popular stretch of the beach along Lake Michigan for pet lovers and their four legged friends.

TAX FORMS

Tax forms are available online at: http://www.shorelinecity.com/incometax.asp

DIRECT DEPOSIT

WHY USE DIRECT DEPOSIT:

- **Faster refunds**
- **More convenient, no trip to the bank to deposit your check**
- **Payment more secure (no check to get lost)**
- **Saves tax dollars. A refund by direct deposit costs less than a check.**

TAX RATE

RESIDENT: One percent (1% or .01)
NON-RESIDENT: One-half of one percent (.5% or .005)

FILING DATE

Your return must be filed by April 30, 2018. Penalty and interest, as provided by law ($2.00 minimum), will be assessed on all late payments.

PAYMENT OF TAX DUE

Tax due, if one dollar ($1.00) or more, must be paid with your return.
Make check or money order payable to: City of Muskegon
Mail return and payment to the address below.

MAILING ADDRESS

Income Tax Department
P.O. Box 29
Muskegon, Michigan 49443-0029

DECLARATION OF ESTIMATED INCOME TAX

If you are paying $100.00 or more with your 2017 return, you may need to file a Declaration of Estimated Income Tax Form M-1040ES, for 2018. See Instructions for Filing a Declaration on page 4.

FOR ASSISTANCE

For assistance, visit the Income Tax Department, City Hall, 933 Terrace, Muskegon, Michigan or call the Income Tax Department at (231) 724-6770.

CHECK TO SEE THAT

- ☐ W-2 forms attached add up to the wages on line 1.
- ☐ W-2 forms attached add up to the Muskegon Tax withheld.
- ☐ Federal schedules attached support figures reported on lines 6, 7, 10 and 14. (M-1040 only)
- ☐ Schedules attached support all exclusions, adjustments and deductions claimed. (M-1040 only)
- ☐ A copy of other city's tax return is attached to support credit claimed.
- ☐ Front page of the Federal 1040 must be attached.

Failure to attach documentation or attaching incorrect or incomplete documentation will delay the processing of the return or result in corrections being made to the return.

We will not prepare your return.

2017 MUSKEGON M-1040 INSTRUCTIONS

WHO MUST FILE A RETURN
Every individual who had $600.00 or more of Muskegon taxable income during 2017, must file a City of Muskegon Individual Income Tax Return, Form M-1040.

The filing of a declaration of estimated tax does not excuse a taxpayer from filing an annual return even though there is no change in the declared tax liability or an additional amount of tax due.

Partnerships, corporations, estates and trusts shall file on forms provided for their specific use.

Filing must be made on City of Muskegon forms. Other cities' forms are not acceptable.

The fact that a taxpayer is not required to file a federal income tax return does not relieve him/her from filing a Muskegon tax return.

MARRIED PERSONS - JOINT OR SEPARATE RETURNS
Married persons may file either a joint return or separate returns. If a joint return is filed, all income of both husband and wife must be included in the return. A joint return must be signed by both individuals, otherwise, it will not be treated as a joint return. Both names must be listed in the heading (i.e. John A. and Mary B. Doe).

If separate returns are filed, neither spouse can claim the other as a dependent on their separate return. In addition, children and other dependents may only be claimed by the spouse who claims such dependents under the Federal Internal Revenue Code.

Couples married during the year where one spouse had a different residency status than the other may file separate returns, based on each one's place of employment and residency during the year, or the couple may file a joint return using Form M-1040TC to compute their tax.

EMPLOYERS THAT DID NOT WITHHOLD
On page 2, Schedule J, list employers who paid you or your spouse wages in 2017, but did not withhold Muskegon income tax and did not furnish a city copy of Form W-2 for Muskegon.

AMENDED RETURNS
An amended return, M-1040-X, must be filed where necessary to report additional income, pay additional tax due, or claim an additional refund. An amended return is due within 90 days of the date of a final determination of a federal tax liability which also affects the city income tax liability.

INSTRUCTIONS FOR PAGE 1
Enter your name, social security number, address and occupation in the boxes provided.

If a joint return, enter spouse's first name, social security number and occupation.

Social security numbers must be correct and agree with those on the attached W-2 forms. THIS IS IMPORTANT.

Enter the name of your present employer.

If a joint return, enter spouse's present employer.

If married and filing a separate return, enter your spouse's name and social security number in the separate return box. If you were married in 2017 and had a different residency status from that of your spouse, file separate returns or use Form M-1040TC.

Check the proper box to indicate your residency status.

If you were a resident for only part of 2017, use form M-1040TC to compute your tax and attach it to the M-1040 filed.

Complete the exemptions section by checking the boxes that apply to yourself and spouse, if a joint return. Enter the first names of dependent children that live with you and the total number of other dependents, their full names and relationship, and the total number of exemptions claimed.

In column I enter income from Federal Return. In column II enter income NOT subject to Muskegon income tax (exclusions). Explain exclusions by completing the schedules on page 2 or on separate schedules attached to the return.

ATTACH COPIES OF FEDERAL SCHEDULES TO SUPPORT ALL ENTRIES ON LINES 6, 7 AND 10 OF COLUMN I.

Subtract column II from column I and enter difference in column III. If there are no exclusions in column II, use column III only. Support figures with schedules.

Multiply the number of exemptions allowed by $600.00. Include the extra exemptions allowed by Muskegon for an individual 65 or older, blind, deaf or paraplegic, quadriplegic, hemiplegic or totally and permanently disabled. Individuals claimed as an exemption on a parent's return may claim themselves on their own return.

Multiply line 17 by the proper tax rate to compute tax liability.

Be sure Muskegon tax withheld as claimed on line 19 agrees with the total tax withheld on the W-2 forms attached to return.

The credit for payment of 2017 Estimated Income Tax, line 20 is the actual amount paid to the city for the 2017 tax year, not the allowable itemized deduction claimed on the federal return.

Credit for income tax paid to another Michigan city is claimed on line 21. Attach a copy of the other city's return to support credit.

If the total tax payments and tax credits, line 23, are less than tax liability, line 18, enter the tax due on line 24. If the tax due is more than $1.00, THE TAX DUE MUST BE PAID WITH THE RETURN WHEN FILED, OR BY THE DUE DATE.

If line 23 is more than line 18, show overpayment to be donated on line 25 or refund requested on line 26 or credited to 2018 estimated tax on line 27.

The taxpayer, the spouse if a joint return, and the person preparing the return MUST SIGN THE RETURN.

ADJUSTMENTS AND DEDUCTIONS ALLOWED
No deductions are allowed for personal expenses or itemized deductions such as, taxes on your home, sales tax, church and charitable deductions or medical expenses.

No deductions are allowed for state or federal taxes paid.

The adjustments allowed are those from page 1 of the Federal 1040; IRA deduction, moving expenses, Keogh and SEP plans, alimony and IRA deduction on page 1 of Federal 1040A. Adjustments to income include the following:

MOVING EXPENSE for moving into the Muskegon area. Do not include expenses of moving from Muskegon. Attach a copy of Form 3903 or similar schedule.

EMPLOYEE BUSINESS EXPENSES after adjustment for any reimbursement by employer, but not subject to the 50% federal reduction for meal expense. Attach a copy of form 2106 or, similar schedule. Expenses are those allowed per IRS Code, limited to travel only. Business expenses claimed on Line 4 of Federal Form 2106 are not an allowable deduction on the Muskegon return unless the taxpayer qualifies as an outside salesperson. Prorate on basis of related taxable income. Expenses related to non-taxable income are not allowed

IRA, Keogh, and SEP adjustments are allowed in proportion to taxable income if allowed on Federal return. Adjustments related to income not taxable by Muskegon are not allowed.

FORFEITED INTEREST - allowed for residents only.

ALIMONY - must be prorated on basis of Muskegon taxable income to Federal taxable income. Do not include child support.

Supplemental unemployment benefits (S.U.B.) are not taxable, therefore, repayment of (S.U.B.) is not allowed as a deduction.

EXEMPT INCOME
The following income (included in column I) is not taxable to either a resident or non-resident and should be excluded in column II and explained on the appropriate schedule on page 2.

Gifts and bequests; non-profit bingo winnings;

Proceeds from insurance, annuities, retirement plans (excluding early distributions) and social security;

Welfare relief, unemployment benefits including supplemental unemployment benefits (S.U.B.), and worker's compensation.

Interest from U.S. bonds, Municipal Bonds and Treasury Bills;

Amounts paid to any employee as reimbursement for expenses necessarily and actually incurred in the performance of service and deductible as such by the employer;

Compensation received for service in the armed forces of the United States, including the reserves.

DECEASED TAXPAYER
Attach Federal Form 1310, or death certificate, if taxpayer or spouse is deceased.

TAXABLE AND NON-TAXABLE INCOME AND EXCLUSIONS

PART YEAR RESIDENT

M-1040TC - Tax Calculation Schedule
A PART YEAR RESIDENT WITH TAXABLE INCOME AS BOTH A RESIDENT AND A NON-RESIDENT, must use Form M-1040TC, Tax Calculation Schedule, to calculate the liability.

A part year resident who has taxable income only as a resident or non-resident may file using the regular M-1040 form including an explanation on Schedule J, page 2, stating: Part year resident with taxable income only as a resident (non-resident). The tax rate for taxable income as a resident is 1% (.01). The tax rate for taxable income as a non-resident is 0.5% (.005).

Allocation of Income on Form M-1040TC
Income is allocated according to the residency status for each item of income. Adjustments and deductions must be allocated in the same way income is allocated. Taxable income earned while a resident is reported in the Income Earned as a Resident column. Taxable income earned while a non-resident is reported in the Income Earned as a Non-resident column. Non-taxable income and excludable income as either a resident or non-resident is reported in the Excludable Income Adjustments and Deductions column. Use the instructions for residents and non-residents as a guide to allocate income.

Follow the instructions on Form M-1040TC. If questions arise, phone the Income Tax Department at (231) 724-6770.

NOTE: Copies, schedules and other documentation supporting exclusions, adjustments and deductions must be attached. Failure to attach schedules and documentation or attaching incomplete or incorrect schedules and documentation will delay the processing of your return or result in deductions being disallowed.

RESIDENT

LINE 1 - Wages, Salaries, Tips, etc.
A resident is taxed on ALL earnings, including salary, bonus, separation and incentive payments, tips, commissions and other compensation for services rendered, REGARDLESS WHERE EARNED. EXAMPLE: Taxpayer lives in the City of Muskegon but works in Norton Shores and receives his paycheck from the home office in New York City, 100% of the compensation is taxable.

Report, on line 1 column I, the amount of wages, salaries, tips, etc. from Federal Return. (Form 1040, form 1040A, Form 1040EZ).

Military pay and supplemental unemployment benefits are NOT taxable. (Exclude on page 2 Schedule A, line 3).

Attach W-2 forms for all compensation or list the employers who did not withhold Muskegon tax in Schedule J.

A taxpayer, who was a resident part of the year and lived and worked outside the City the balance of the year, shall be taxed only on his earnings while a resident.

LINE 2- Interest
Interest is taxable the same as on the Federal return except interest on U.S.Bonds, Treasury Bills and notes is excluded.

Report on line 2, column I, the amount of taxable interest income from Federal Return. (Form 1040, Form 1040A or 1040EZ) Exclude interest from U.S. Bonds and Treasury Bills and notes on page 2, Schedule B, line 1.

LINE 3 - Dividends
Dividends are taxable. Report on line 3, column I the amount of dividend income from Federal Return. (Form 1040 or Form 1040A) Also report on line 3, column I any Sub-Chapter S distributions. (Sub-Chapter S distributions are dividends subject to Muskegon Income Tax)

Exclude margin interest paid on page 2, Schedule C, line 1.

LINE 4 - Refunds, Credits and Offsets
Report on line 4, column I, the amount of taxable refunds, credits or offsets from Federal 1040. Exclude the amount from column I in column II as refunds, credits and offsets that are not taxable by Muskegon.

LINE 5 - Alimony Received
Report on line 5, column I, the amount of alimony received as reported on Federal 1040.

LINE 6 - Business Income
All self employment income is taxable. Report on line 6, column I, the total business income from Federal 1040.

Adjustments must be made for job credits, additional depreciation due to investment credits and meal and entertainment expenses. (see page 2 Schedule D)

LINE 7 - Sale or Exchange Property
Report on line 7, column I, the total long and short term capital gains and losses from Federal 1040.

The portion of the gains and losses occurring before July 1, 1993 are excludable. Use Schedule F, line 1a or if there is more than one sale or exchange, attach a separate schedule to document exclusion. The exclusion shall be computed from difference between the purchase price and fair market value at July 1, 1993 (June 30 closing price for traded securities or by prorating the gain or loss on the basis of total months held to months in the non-taxable period. Include gains or losses from Federal Form 4797.

LINE 8 - IRA Distributions
Enter on line 8, column I, the IRA distributions reported on Federal Form 1040 or Form 1040A.

Exclude, in column II IRA distributions qualifying as retirement benefits. Premature IRA distributions are not excludable. ROTH rollover distributions are excludable.

LINE 9 - Pensions and Annuities
Enter on line 9 - column I, the pension and annuities reported on Federal Form 1040 or Form 1040A.

Annuity distributions are excludable. Pension distributions qualifying as retirement benefits are excludable. Early distributions from a pension plan are not excludable.

LINE 10 - Supplemental Income
Enter on this line in column I, the total amount shown on the Federal Return, Form 1040.

Support exclusions with Schedule H, page 2 and by attaching Federal Schedules E and/or F. Exclude undistributed share of Sub-Chapter S corporation income. Losses from passive activities are treated the same as on Federal Form 1040.

LINE 11 - Unemployment Compensation
Enter on line 11, column I, the Unemployment Compensation reported on Federal Form 1040 or Form 1040A. Exclude Unemployment compensation in column II. It is not taxable.

LINE 12 - Social Security
Enter on line 12, column I, the Social Security benefits reported on Federal Form 1040 or Form 1040A. Exclude Social Security in column II. It is not taxable.

LINE 13 - Other Income
Enter on line 13, column I, the other income reported on Federal Form 1040. Income items included on this line would be gambling winnings, jury duty and other miscellaneous income. Identify the source of other income on Schedule J, page 2. Ordinary income from Federal Form 4972, special averaging methods, is taxable, attach schedule.

Exclude bingo winnings and other miscellaneous income which is not taxable in column II. Document exclusions on Schedule J, page 2 or attach a separate schedule.

LINE 14 - Adjustments and Deductions
Enter in column III the total adjustments and deductions from page 2, Schedule I, line 6. Attach a copy of IRA contribution receipt to support an IRA contribution adjustment. Attach a copy of Federal Form 3903 to support moving expenses adjustment. Provide amount paid, name, address, and social security number of recipient to support employee business expense adjustment. Document other adjustments and deductions on Schedule I or attach other supporting documentation or schedules. The only adjustments allowed from page 1 of the Federal 1040 or 1040a: IRA deduction, moving expenses, Self-Employed SEP, SIMPLE, and qualified plans, alimony paid. Other deductions below total income line on the Federal 1040 or 1040a are not allowed.

The City of Muskegon must approve your "Renaissance Zone Tax Exempt Status" before a tax return is filed with our department. A copy of the Renaissance Schedule RZ 1040 must accompany the tax return.

Enter the Renaissance Zone deduction from Schedule RZ 1040. (qualified Renaissance Zone individuals only)

LINE 21 - Credit for Tax Paid to Another Michigan City
A resident may claim a credit for income tax paid to another Michigan city. The credit for tax paid to the other city is based upon income that is also taxable in Muskegon. The credit allowed is the tax paid to the other city or 0.5% (.005) of the amount earned in that city during 2017 less exemptions allowed by the Muskegon Income Tax, whichever is smaller. Proof of payment to another city must be submitted. Attach a copy of the return filed with the other city. No credit is allowed for tax paid to a city in another state. (Refer to worksheet on the back of M-1040-TC).

NON-RESIDENT

LINE 1 - Wages, Salaries, Tips, etc.
Enter in column I the amount from Federal Form 1040, Form 1040A, or Form 1040EZ.

Enter in column II the excludable wages, salaries and tips. A non-resident is taxed on earnings received for work done or services performed in the City of Muskegon. The excludable portion of compensation paid to a non-resident for work performed for an employer both inside and outside of Muskegon is computed on Schedule A, lines 1a through 1g. The exclusion is based on the percentage of time worked in and out of Muskegon. **Vacation and sick time are not included in total days worked in arriving at this percentage.** Compensation for vacations, holidays, sick time, bonuses, and separation or incentive retirement payments is taxable on the same ratio as normal earnings. The percentage of compensation may be computed on the basis of days, hours or dollars of commission. A separate schedule must be completed to allocate wages from each employer.

Attach W-2 forms showing all wages and Muskegon tax withheld.

Use Schedule A, line 2 to explain exclusion of wages earned entirely outside of Muskegon.

Part Year Residents see Part Year Resident Instructions on page 3 and use form M-1040TC to calculate taxable income and tax due.

LINE 2 - Interest
NOT TAXABLE, leave blank.

LINE 3 - Dividends
NOT TAXABLE, leave blank

LINE 4 - Refunds, Credits and Offsets
NOT TAXABLE, leave blank.

LINE 5 - Alimony Received
NOT TAXABLE, leave blank.

LINE 6 - Business Income
Report in column I the amount from Federal 1040.

See "Resident" Instructions on page 3 for adjustments to business income.

If the business activity is not entirely within the City of Muskegon, use Schedule D on page 2 to compute the excluded Business Income. Use Schedule E to compute the Business Allocation Percentage.

In determining the Business Allocation Percentage, a factor shall be excluded from the computation only when such factor does not exist anywhere. In such cases, the sum of the percentages shall be divided by the number of factors actually used.

LINE 7 - Sale or Exchange of Property
Report in column I the amounts from Federal 1040. Exclude on Schedule F the portion of gains or losses from property located outside of Muskegon and the portion of gains or losses from property located in Muskegon occurring prior to July 1, 1993. See instructions under "Resident" for methods of prorating Muskegon gains and losses.

An estate or trust is required to pay the tax for a non-resident beneficiary and such income is excludable on the Individuals Muskegon Return.

LINE 8 - IRA Distributions
Enter in column I the amount from Federal Form 1040 or Form 1040A.

Exclude in column II all IRA distributions except premature distributions previously deducted from income subject to Muskegon tax.

LINE 9 - Pensions and Annuities
Enter on line 9, column I, the pension and annuities reported on Federal Form 1040 or Form 1040A.

Exclude in column II, annuity distributions and pension distributions qualifying as retirement benefits. Early distributions from a pension plan are not excludable if related compensation was subject to Muskegon tax.

LINE 10 - Supplemental Income
Report in column I, the amount from Federal 1040.

Exclude in column II the portion of income or loss from rental units outside the City of Muskegon, partnerships business activity outside the city, Sub-S corporations and farming activity outside the city. Support the exclusions by attaching a copy of Federal Schedule E and/or Schedule F. Losses on passive income are treated the same as on Federal Form 1040.

LINE 11 - Unemployment Compensation
NOT TAXABLE, leave blank.

LINE 12 - Social Security Benefits
NOT TAXABLE, leave blank.

LINE 13 - Other Income
See instructions under "Resident". ESOP payments and stock savings plans are taxable in proportion to taxable wages. Miscellaneous income for services performed outside the City of Muskegon is excluded. Identify and explain exclusions on Schedule J.

LINE 14 - Adjustments and Deductions
See instructions under "Resident".

If your earnings from line 1 have been allocated through use of the percentage from Schedule A. line 1d use same percentage to allocate the related adjustments. Explain allocations on Schedule J.

An IRA deduction is only allowable for individuals with Muskegon earned income to the extent the income is subject to the Muskegon tax.

Part Year Residents must allocate adjustments the same way they allocate income.

ALL TAXPAYERS

PAYMENTS AND CREDITS
LINE 19 - Total Tax Withheld by Employers
Enter total Muskegon tax withheld as shown on city or local copy W-2 forms. ATTACH COPIES OF ALL W-2 FORMS and be sure the total Muskegon tax withheld agrees with line 19. Round to the nearest dollar.

LINE 20 - Payments on 2017 Declaration of Estimated Tax
Take credit for all estimated Muskegon Income Tax payments made for 2017 including last payment due in January 2018.

LINE 22 - Other Tax Credits
Enter tax paid on your behalf by a partnership of which you are a partner, or payments made on a tentative return.

TAX DUE OR REFUND
LINE 24 - Balance Due
Tax due of one dollar ($1.00) or more must be paid IN FULL WHEN THE RETURN IS FILED. Tax due of less than $1.00 need not be paid.

Make check or money order payable to CITY OF MUSKEGON.

NOTE: IF YOUR PAYMENT IS OVER $100.00, YOU MAY BE REQUIRED TO FILE A DECLARATION OF ESTIMATED INCOME TAX, FORM M-1040ES. SEE ESTIMATED TAX INSTRUCTIONS. PENALTY AND INTEREST WILL BE CHARGED IF YOU HAVE NOT FILED A REQUIRED ESTIMATE OR IF YOUR ESTIMATES ARE UNDERPAID.

LINES 25, 26 and 27 - Overpayment
Overpayment of less than one dollar ($1.00) will not be refunded and cannot be donated. All other overpayments will be refunded or you can donate your refund to one of the donation programs, or credited to the 2018 estimated tax liability. To donate the overpayment, check the donation box on line 25 and enter the overpayment. To claim a refund enter the overpayment on line 26a. Complete lines 26b through 26d if you want us to directly deposit the amount shown on line 11a into your checking or savings account at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) instead of sending you a check. NOTE: If you do not want your refund directly deposited into your account, leave lines 26b through 26d blank. Enter the overpayment on line 27 if you want it credited to your 2018 estimated tax liability.

Refunds will be made as quickly as possible. Please allow 45 days before making an inquiry.

ASSISTANCE
If you have any questions not answered in these instructions, or if you need assistance in preparing your return, call (231) 724-6770 or visit the Income Tax Department, Room 105, City Hall, 933 Terrace Street, Muskegon, Michigan.

NOTE: We will not prepare your return.

DECLARATION OF ESTIMATED TAX
If your 2018 Muskegon Income not subject to withholding is expected to be more than $10,000 for a resident or more than $20,000 for a non-resident (after deduction of exemption credits) on which the tax will be over $100.00, you must file a Declaration of Estimated Tax for 2018 by April 30, 2018 and pay at least one-fourth (1/4) of the estimated 2018 tax with your Declaration.

The balance of the estimated tax, is due in three equal installments to be paid by July 2, 2018, October 1, 2018 and January 31, 2019. You may amend your estimate at the time of making any quarterly payment.

Credit for a 2017 overpayment may be applied to your 2018 estimated tax. Other overpayments are refunded by check, or donated to one of the three donation programs. Check the appropriate box.

A Declaration of Estimated Tax form may be obtained by calling (231) 724-6770 or stopping at the Income Tax Department.

No estimate is required if 70% of current or prior years tax is paid by withholding or another tax credit.

PENALTY AND INTEREST WILL BE CHARGED IF YOU HAVE NOT FILED A REQUIRED ESTIMATE OR IF YOUR ESTIMATES ARE UNDERPAID.

CHARGES FOR LATE PAYMENTS
All tax remaining unpaid at the time a return is filed or after the due date, whichever date is earlier, is subject to penalty and interest. The penalty is 1% per month, not to exceed a total penalty of 25%. The interest rate is 1% above the prime rate on an annual basis.

The minimum charge for penalty and/or interest is $2.00

NOTE: Copies of federal schedules and/or other documentation explaining and supporting exclusions, adjustments and deductions must be attached to the return. Failure to attach schedules and documentation or attaching incomplete or incorrect schedules and documentation, will delay processing of the return or result in deductions being disallowed

MUSKEGON
West Michigan's Shoreline City

2017 MUSKEGON M-1040

INDIVIDUAL INCOME TAX RETURN - DUE DATE APRIL 30, 2018

TYPE OR PRINT

YOUR FIRST NAME AND MIDDLE INITIAL	LAST NAME	YOUR OCCUPATION	YOUR SOCIAL SECURITY NUMBER
IF JOINT, SPOUSE'S FIRST NAME AND MIDDLE INITIAL	LAST NAME	SPOUSE'S OCCUPATION	YOUR SPOUSE'S SOCIAL SECURITY NUMBER
HOME ADDRESS (NUMBER AND STREET OR RURAL ROUTE)		YOUR PHONE NUMBER	☐ CHECK BOX IF NAME OR ADDRESS CHANGED SINCE FILING YOUR LAST MUSKEGON RETURN
CITY, TOWN, OR POST OFFICE	STATE	ZIP CODE	

PRESENT EMPLOYER

SPOUSE'S PRESENT EMPLOYER

IF MARRIED AND FILING SEPARATE RETURN:

SPOUSE'S NAME

SPOUSE'S SS#

RESIDENCY STATUS

☐ RESIDENT

☐ PART YEAR RESIDENT (SEE INSTRUCTIONS) PAGE 3 AND ATTACH FORM M-1040TC

☐ NON-RESIDENT

EXEMPTIONS

	REGULAR	65 AND OVER	BLIND	DEAF	PARAPLEGIC, QUADRIPLEGIC, HEMIPLEGIC OR TOTALLY AND PERMANENTLY DISABLED
YOURSELF	☐	☐	☐	☐	☐
SPOUSE	☐	☐	☐	☐	☐

NUMBER OF OTHER DEPENDENTS (EXPLAIN)

FIRST NAMES OF DEPENDENT CHILDREN WHO LIVED WITH YOU

TOTAL EXEMPTIONS CLAIMED (ENTER ALSO ON LINE 16)

IF THERE ARE NO EXCLUSIONS IN COLUMN II BELOW, COMPLETE COLUMN III ONLY

ATTACH COPIES OF W-2 HERE

INCOME — ATTACH SCHEDULES TO SUPPORT FIGURES ON LINES 6 THROUGH 14	COLUMN I FROM FEDERAL RETURN	COLUMN II EXCLUSIONS (FROM PAGE 2)	PAGE 2 SCH.	COLUMN III TAXABLE INCOME (COL I LESS COL II)
1. Total wages, salaries and tips.	00	00	A	00
2. Interest (not taxable to non-residents)	00	00	B	00
3. Dividends (not taxable to non-residents)	00	00	C	00
4. Refunds, credits or offsets of state or local income taxes	00	00	NOT TAXABLE	NOT TAXABLE 00
5. Alimony received	00	00		00
6. Business income **(attach Fed Sch C)**	00	00	D	00
7. Sale or exchange of property **(attach Fed Sch D and/or Form 4797)**	00	00	F	00
8. IRA distributions	00	00	G	00
9. Pensions and annuities	00	00	G	00
10. Supplemental income **(attach Fed Sch E and/or Sch F)**	00	00	H	00
11. Unemployment compensation	00	00	NOT TAXABLE	NOT TAXABLE 00
12. Social Security	00	00	NOT TAXABLE	NOT TAXABLE 00
13. Miscellaneous income **(attach schedule or explanation)**	00	00	J	00
14. Adjustments and deductions **(attach schedule or related federal schedule)**			I	00
15. Total income (lines 1 through 14)	00	00		00

ATTACH CHECK OR MONEY ORDER HERE

16. Less exemption credit (no. of exemptions above_____ x $600.00)	00
17. Taxable income (subtract line 16 from line 15)	00
18. Tax (multiply line 17 by 1% (.01) for residents or ½% (.005) for non-residents or check this box ☐ and attach Form M-1040TC	00
PAYMENTS AND CREDITS	
19. Total Muskegon tax withheld by employers **(attach W-2 forms showing Muskegon tax withheld)**	00
20. Payments on 2017 Declaration of Muskegon Estimated Income Tax	00
21. Credit for income tax paid to another Michigan city. (RESIDENTS ONLY attach copy of other city's return) **Use City Credit Work Sheet.**	00
22. Other tax credits (attach explanation)	00
23. Total payments and credits (add lines 19 through 22)	00
TAX DUE OR REFUND	
24. If line 18 is larger than line 23, enter TAX DUE. If $1,00 or more, PAY this amount with return. **(If over $100.00 see page 4)**	
25. If line 23 is larger than 18, check the appropriate box to donate your refund. Choose only one program. ☐ Lakeshore Trail Improvements ☐ Muskegon Farmers Market ☐ Muskegon's Dog Beach	
Please see sample on the back page of the M-1040TC	
26. a. If line 23 is larger than line 18, enter overpayment to be REFUNDED. Allow at least 45 days.	
b. Routing number: ☐☐☐☐☐☐☐☐☐ c. Type ☐ Checking ☐ Savings	
d. Account number: ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐	
27. To credit this refund to the 2018 estimated tax liability, check this box ☐	00

PLEASE ROUND TO THE NEAREST DOLLAR

Under the penalties of perjury, I declare that I have examined this return, including accompanying schedules, and to the best of my knowledge and belief it is true, correct and complete.

☐ I (we) authorize the Income Tax Department to discuss this return and attachments with the preparer.

Mail return to: Income Tax Department, P.O. Box 29, Muskegon, MI 49443-0029. **Make checks payable to City of Muskegon**

SIGN RETURN HERE

IF FILING JOINTLY, BOTH MUST SIGN EVEN IF ONLY ONE HAD INCOME.		FIRM'S NAME AND SIGNATURE OF PREPARER OTHER THAN TAXPAYER (This return is based on all information of which I am knowledgeable.)	
YOUR SIGNATURE	DATE	SIGNATURE	PHONE
SPOUSE'S SIGNATURE	DATE	ADDRESS OF PREPARER	DATE

Machine Certification

ALL TOTALS FROM THIS BACK (EXCEPT SCHEDULE E) CARRY OVER TO PAGE 1

SCHEDULE A - EXCLUDABLE WAGES, ETC.	List each such employer and schedule each separately			
1. NON-RESIDENT wages, etc., earned partly outside Muskegon — EMPLOYER				
a. Actual number of days (hours) worked everywhere 2017 (exclude vacation and sick days)	DAYS	DAYS	DAYS	DAYS
b. Actual number of days (hours) worked in Muskegon in 2017	OR	OR	OR	OR
c. Days (hours) worked outside Muskegon in 2017 (Subtract line b from line a)	HOURS	HOURS	HOURS	HOURS
d. Percentage of days (hours) worked outside Muskegon (line c divided by line a)	%	%	%	%
e. Wages earned from this job (from W-2)	00	00	00	00
f. Non-taxable wages, etc., earned outside Muskegon (line e multiplied by line d)	00	00	00	00
g. Total of amounts in column on line 1f				00
2. NON-RESIDENT wages, etc., earned entirely outside Muskegon, but included in INCOME, line 1, col. I (DO NOT include line 1e)				00
3. a. Military pay 00	b. S.U.B. pay 00	c. Total of 3a and 3b (BOTH RESIDENTS AND NON-RESIDENTS)		00
4. TOTAL EXCLUDABLE WAGES (add lines 1g, 2 and 3c) enter here and on page 1, line 1, column II				00

SCHEDULE B - INTEREST EXCLUSIONS		SCHEDULE C - DIVIDEND EXCLUSIONS	
1. RESIDENT: Interest on federal, state or city obligations	00	1. RESIDENT: Margin interest	00
2. NON-RESIDENT Total interest on Page 1, line 2, col. I	00	2. NON-RESIDENT Total dividends	00

SCHEDULE D - BUSINESS INCOME EXCLUSIONS	
1. Income for taxable period (page face, line 6, col. I)	00
2. a. Job credit 00 — b. Additional depreciation due to investment credit adjustment 00	
c. Meal and entertainment expenses adjustment 00 — Total of lines 2a, 2b and 2c	00
3. Total line 1 less line 2	00
4. Allocation percentage: RESIDENTS: enter 100% NON-RESIDENTS: if all business was conducted in Muskegon enter 100%, otherwise enter the percentage from Schedule E, line 5, below	%
5. Allocated income (multiply line 3 by % on line 4)	00
6. TOTAL EXCLUDABLE BUSINESS INCOME (line 1 less than line 5) enter here and on page 1, line 6, column II	00

SCHEDULE E - BUSINESS ALLOCATION PERCENTAGE (TO BE USED BY NON-RESIDENTS ONLY)	COLUMN I LOCATED EVERYWHERE	COLUMN II LOCATED IN MUSKEGON	COLUMN III PERCENTAGE (COLUMN II DIVIDED BY COLUMN I)
1. a. Average net book value of real and personal property			
b. Gross rents paid on real property multiplied by 8			
c. TOTALS (Add lines 1a and 1b)			%
2. Total wages, salaries and other compensation of all employees			%
3. Gross receipts from sales made or services rendered			%
4. Total percentages (add lines 1c, 2 and 3)			%
5. Business allocation percentage (divide line 4 by number of factors used) enter here and on Schedule D, line 4 above			%

SCHEDULE F - SALE OR EXCHANGE OF PROPERTY EXCLUSIONS (SCH. D - FED 1040 AND FED 4797)	
1. Attach schedule computing the excludable gain or loss on lines 1a or 1b as follows: description, date acquired, date sold, gain or loss, excludable portion	00
1. a. RESIDENT: Portion of gain or loss which occurred prior to July 1, 1993	00
1. b. NON-RESIDENT: Portion of gain or loss on sale of property located in Muskegon which occurred prior to July 1, 1993	00
2. NON-RESIDENT: Gains or losses from sale of property outside of Muskegon	00
3. TOTAL EXCLUDABLE SALES OR EXCHANGES OF PROPERTY (add lines 1a, 1b and 2) enter here and on page 1, line 7, column II	00

SCHEDULE G - IRA AND PENSION EXCLUSIONS	
1. IRA Distributions (early distributions are not excludable) enter here and on page 1, line 8, column II	00
2. Pensions and annuities: enter here and page 1, line 9, column II	00

SCHEDULE H - SUPPLEMENTAL INCOME EXCLUSIONS (SCH E AND SCH F - FED 1040)		
1. RENTS (excludable by NON-RESIDENTS only on property located outside of Muskegon	Location:	00
2. PARTNERSHIPS (NON-RESIDENTS only on partnerships located outside of Muskegon	Location:	00
3. OTHER (identify)		00
4. TOTAL EXCLUDABLE SUPPLEMENTAL INCOME (add lines 1, 2 and 3) enter here and on page 1, line 10, column III		00

SCHEDULE I - ADJUSTMENTS AND DEDUCTIONS ALLOWED (attach a copy of face page, Federal 1040)	
1. IRA, KEOGH, and self-employed SEP contributions (include only portion related to Muskegon taxable income)	00
2. Moving expenses (include only portion related to Muskegon taxable income) (attach Federal Schedule 3903)	00
3. Alimony paid, list recipient's name and SSN: (include only portion related to Muskegon taxable income)	00
4. Employee business expenses (see instructions for which expenses are deductible) (attach Federal Schedule 2106)	00
5. Other deductions	00
6. TOTAL ADJUSTMENTS AND DEDUCTIONS (add lines 1, 2, 3, 4 and 5) enter here and on page 1, line 14, column III	00

SCHEDULE J - (Use to list employers who did not withhold, explain special tax computation, make explanations not shown elsewhere or in lieu of schedule)

IF ADDITIONAL SPACE IS NEEDED, SHOW INFORMATION ON A SEPARATE SHEET (EXPLAIN IN FULL)

MUSKEGON
West Michigan's Shoreline City

2017 MUSKEGON M-1040EZ

INDIVIDUAL INCOME TAX RETURN – DUE DATE APRIL 30, 2018

REFER TO INSTRUCTIONS ON BACK TO SEE WHO CAN USE THIS FORM

USE THE MUSKEGON MAILING LABEL OTHERWISE PLEASE PRINT

YOUR FIRST NAME AND MIDDLE INITIAL	LAST NAME	YOUR SOCIAL SECURITY NUMBER – –
IF JOINT, SPOUSE'S FIRST NAME AND MIDDLE INITIAL	LAST NAME	YOUR SPOUSE'S SOCIAL SECURITY NUMBER – –
HOME ADDRESS (NUMBER AND STREET OR RURAL ROUTE)		YOUR PHONE NUMBER
CITY, TOWN, OR POST OFFICE	STATE	ZIP CODE

SEE INSTRUCTIONS ON BACK

☐ Check box if this is the first time you filed a Muskegon return.

☐ Check box if your address has changed since filing your last Muskegon return.

RESIDENCY STATUS
☐ RESIDENT
☐ NON-RESIDENT

MARRIED FILING SEPARATELY
SPOUSE'S NAME
SSN

INCOME ATTACH COPY 2 OF YOUR W-2 FORM(S) HERE	1.	Total wages, salaries, and tips. (See instructions on back.) RESIDENTS: Total from Box 1 of all your W-2 forms. NON-RESIDENTS: Total from Box 1 of the W-2 forms for work done in the City of Muskegon. Attach your W-2 form(s).	1. , . 0 0
	2.	Interest income. (See instructions on back.) RESIDENTS: Report all taxable interest income. NON-RESIDENTS: Leave blank.	2. , . 0 0
	3.	Dividend income. (See instructions on back.) RESIDENTS: Report all dividend income. NON-RESIDENTS: Leave blank.	3. , . 0 0
	4.	Add lines 1, 2 and 3. This is your total Muskegon income.	4. , . 0 0
EXEMPTION AMOUNT	5.	Enter amount from Exemptions Worksheet on back; or if SINGLE enter $600.00; or if MARRIED filing jointly enter $1,200.00.	5. , . 0 0
TAXABLE INCOME	6.	Subtract line 5 from line 4. This is your taxable income.	6. , . 0 0
TAX	7.	RESIDENTS: Multiply line 6 by one percent (.01). NON-RESIDENTS: Multiply line 6 by one-half of one percent (.005).	7. , . 0 0
PAYMENTS AND CREDITS	8.	Total Muskegon tax withheld by employers (attach W-2 forms showing Muskegon withheld).	8. , . 0 0
	9.	Payments on 2017 Declaration of Muskegon Estimated Income Tax.	9. , . 0 0
	10.	Credit for income tax paid to another Michigan City (RESIDENTS ONLY). (Attach copy of other city's return.) **USE CITY CREDIT WORKSHEET.**	10. , . 0 0
TOTAL	11.	Add lines 8, 9 and 10 and enter here.	11. , . 0 0
TAX DUE	12.	If line 7 is larger than line 11, subtract line 11 from line 7. This is the amount you owe. Please attach your payment. Make check payable to: City of Muskegon. If payment due is greater than $100.00, you may be assessed additional penalties and interest if you were required to pay estimated taxes.	12. , . 0 0
REFUNDS AND CREDITS	13.	**Please see sample on the back page of the M-1040TC** **a.** If line 11 is larger than line 7, subtract line 7 from line 11. This is your refund. Allow at least 45 days. **b.** Routing number: **c.** Type: ☐ Checking ☐ Savings **d.** Account number:	13. , . 0 0
	14.	Please check the appropriate box to donate your refund. Choose only one program. ☐ Lakeshore Trail Improvements ☐ Muskegon Farmers Market ☐ Muskegon Dog Beach	14. , . 0 0
	15.	☐ Check this box to credit this refund to the 2018 estimated tax liability.	15. , . 0 0

PLEASE ROUND TO THE NEAREST DOLLAR

I have read this return. Under the penalties of perjury, I declare that to the best of my knowledge and belief the return is true, correct and accurately lists all amounts and sources of Muskegon income I received during the tax year.

Mail return to: Income Tax Department, P.O. Box 29, Muskegon, MI 49443-0029.

PLEASE SIGN HERE
KEEP A COPY OF THIS FOR YOUR RECORDS

YOUR SIGNATURE	DATE	SPOUSE'S SIGNATURE (IF JOINT RETURN)	DATE

For City of Muskegon use.
Please do not write in box.

Machine Certification

2017 INSTRUCTIONS FOR FORM M-1040EZ

WHO CAN USE THIS FORM

USE THIS FORM IF:
You were a resident of Muskegon for all of 2017 with income from wages, interest or dividends with none of the income being excludable from Muskegon income tax and the tax payments are Muskegon tax withheld, estimated tax payments and credit for income tax paid to another Michigan city; or
You were a non-resident of Muskegon for all of 2017 with wages earned in Muskegon and none of the earnings from Muskegon employers is excludable from Muskegon income tax.

YOU CANNOT USE THIS FORM IF:
You received alimony payments, had Muskegon business income (Sch C), sold or exchanged property (Sch D or 4797), had taxable IRA distributions, taxable pension/annuity distributions, supplemental income (Sch E or F), miscellaneous income, exclusions or adjustments.

YOUR RETURN

Because this form is designed to be read by a machine, please print your numbers inside the boxes like this:

1 2 , 3 4 5 . 0 0

Do not type your numbers. Do not use dollar signs.

NAME AND SOCIAL SECURITY NUMBER
Fill in your first name, middle initial, last name and social security number. If a joint return, also fill in your spouse's first name, middle initial, last name and social security number.

FIRST RETURN
Check the first return box if this is the first time you filed a Muskegon income tax return.

ADDRESS CHANGE
Check the address change box if your address has changed since filing your last Muskegon income tax return.

RESIDENCY STATUS
Check the resident or non-resident box under Residency Status. **A part year resident of Muskegon cannot use this form.**

MARRIED FILING SEPARATELY
If married and filing separately, enter spouse's name and social security number in Married Filing Separately box.

INCOME

If you have income on your federal income tax return that is not taxable by Muskegon, use Form M-1040.

LINE 1. TOTAL WAGES, SALARIES AND TIPS
Residents and non-residents enter the amount of wages reported on your Federal Return.

LINE 2. INTEREST INCOME
Residents enter the amount of taxable interest income reported on your Federal Return.
Non-residents enter zero. Interest income is not taxable to a non-resident.

LINE 3. DIVIDEND INCOME
Residents enter the amount of dividend income reported on your Federal Return.
Non-residents enter zero. Dividend income is not taxable to a non-resident.

LINE 4. TOTAL MUSKEGON INCOME
Enter the total of lines 1, 2 and 3.

PAYMENTS AND CREDITS

LINE 9.
Residents and non-residents enter the total estimated income tax paid during 2017 including the amount paid with voucher 4 due January 31, 2018.

LINE 10.
Residents may take credit for income tax paid to another Michigan city. The credit is limited to the Muskegon non-resident rate of 0.5% (.005) and the Muskegon exemption of $600.00 per person. (Refer to Worksheet on the back of M-1040TC).

TAX DUE

LINE 12.
Tax due of one dollar ($1.00) or more must be paid in full when the return is filed. Make check or money order payable to: the City of Muskegon. If your payment is over $100.00, you may be assessed additional penalties and interest if you are required to file estimated tax vouchers.

OVERPAYMENTS

LINE 13, 14, and 15. OVERPAYMENTS
Overpayments of less than one dollar ($1.00) will not be refunded and cannot be donated. All other over payments will be refunded or may be donated or Credited to the 2018 estimated tax liability. To donate the overpayment, check the appropriate box on line 14 and enter the amount. To claim a refund, enter the overpayment on line 13a. Complete lines 13b through 13d if you want us to directly deposit the amount shown on line 11a into your checking or savings account at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) instead of sending you a check. NOTE: If you do not want your refund directly deposited into your account, leave lines 13b through 13d blank. Enter the overpayment on line 15 if you want it credited to your 2018 estimated tax liability.

EXEMPTION AMOUNT

LINE 5. EXEMPTION AMOUNT
Complete worksheet below and enter the total from box 5a on page 1, line 5.

EXEMPTIONS WORKSHEET

1. CHECK BOXES THAT APPLY	REGULAR	65 AND OVER	BLIND	DEAF	PARAPLEGIC, QUADRIPLEGIC, HEMIPLEGIC OR TOTALLY AND PERMANENTLY DISABLED	1A. NUMBER OF BOXES CHECKED
YOURSELF	☐	☐	☐	☐	☐	
SPOUSE	☐	☐	☐	☐	☐	
2. LIST FIRST NAMES OF DEPENDENT CHILDREN WHO LIVED WITH YOU						2A. NUMBER OF CHILDREN LISTED
3. OTHER DEPENDENTS (LIST AND EXPLAIN)						3A. NUMBER OF OTHER DEPENDENTS LISTED
4. TOTAL NUMBER OF DEPENDENCY EXEMPTIONS (ADD BOXES 1A, 2A AND 3A AND ENTER THE TOTAL IN BOX 4A.						4A. TOTAL NUMBER OF EXEMPTIONS
5. MULTIPLY TOTAL NUMBER OF EXEMPTIONS IN BOX 4A BY $600.00 AND ENTER THE TOTAL IN BOX 5A AND ON PAGE 1, LINE 5.						5A. EXEMPTION AMOUNT

LINES 6 THROUGH 15
Follow the instructions on the front of this form for each separate line.

Thank You

MUSKEGON
West Michigan's Shoreline City

2017 MUSKEGON M-1040TC

TAX CALCULATIONS SCHEDULE FOR USE BY PART YEAR RESIDENTS

TAXPAYER'S NAME			SOCIAL SECURITY NUMBER
2017 MUSKEGON RESIDENCY	NUMBER OF MONTHS	FROM	TO
FORMER ADDRESS			

		CATEGORIES OF INCOME			
COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6
SOURCE OF INCOME	TOTAL INCOME ADJUSTMENTS OR DEDUCTIONS	EXCLUDABLE INCOME ADJUSTMENTS AND DEDUCTIONS	MUSKEGON INCOME EARNED AS A NON-RESIDENT	INCOME EARNED AS A RESIDENT	TOTAL INCOME SUBJECT TO TAX (COL. 4 + COL. 5)
1a.	00	00	00	00	00
1b.	00	00	00	00	00
1c.	00	00	00	00	00
1d.	00	00	00	00	00
1e.	00	00	00	00	00
1f.	00	00	00	00	00
1g.	00	00	00	00	00
1h.	00	00	00	00	00
1i.	00	00	00	00	00
1j.	00	00	00	00	00
2. TOTALS	00	00	00	00	00
3. PERCENTAGE OF TOTAL MUSKEGON INCOME					100%
4. RENAISSANCE ZONE DEDUCTION					
5. EXEMPTION AMOUNT					
6. TAXABLE INCOME			00	00	00
7. TAX RATES (0.5% = AND 1% = .01)			0.5%	1%	
8. TAX			00	00	00

PLEASE ROUND TO THE NEAREST DOLLAR

INSTRUCTIONS FOR M-1040TC, TAX CALCULATION SCHEDULE

LINE 1. List each source of income (i.e, employer, Schedule C, interest, etc.) or deduction in column 1 and the total income or deduction from the item in column 2. Split the income or deduction between the different categories of income (columns 3, 4, and 5) based upon the time in each status and enter the income subject to tax in column 6.
LINE 2. Total column 2, column 3, column 4, column 5 and column 6 and enter the amounts.
LINE 3. Compute and enter in column 4 and column 5 the percentage of total income subject to tax by dividing the amount on line 2 of the column by the total income subject to tax (line 2 divided by column 6).
LINE 4. **Qualified Renaissance Zone** Individuals Only Enter amount from line 11 of Schedule RZ M-1040.
LINE 5. Enter in column 6 the total exemption credit from Form M-1040, line 16 and compute the exemption credit for column 4 and column 5 based upon the percentages on line 3 of the respective column.
LINE 6. Subtract line 4 and 5 from line 2 and enter the difference.
LINE 8. Multiply line 6 of column 4 and column 5 by the tax rate for the column from line 7 and enter the amount. Add the amounts in column 4 and column 5 and enter the total in column 6.

Enter the total from column 6, line 8 on Form M-1040, line 18.

ATTACH A COPY OF THE M-1040TC TO YOUR INCOME TAX RETURN

DIRECT DEPOSIT

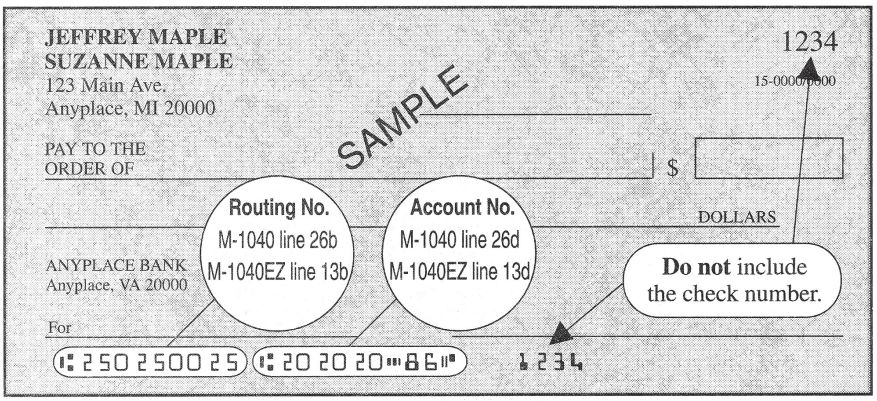
Fast Refunds! – Choose direct deposit - a fast and secure way to have your refund deposited automatically into your checking or savings account.

Helpful Tips

Please check with your financial institution to make sure your direct deposit will be accepted and make sure you have the correct routing and account numbers. The City of Muskegon is not responsible for a lost refund if you enter the wrong account information.

Some financial institutions will not allow a joint refund to be deposited into an individual account. If the direct deposit is rejected, a check will be send instead. The City of Muskegon is not responsible if a financial institution rejects a direct deposit.

The account number can be up to 17 characters (both number and letters). Include hyphens but omit spaces and special symbols. Enter the number for left to right and leave any unused boxes blank. See sample below. Do not include the check number.



DIRECT DEPOSIT SAMPLE

a. Routing number 250250025

b. Type: ☒ Checking ☐ Savings

c. Account Number 20202086

CAUTION *The routing and account numbers may be in different places on your check.*

CITY CREDIT WORKSHEET

CREDIT FOR TAX PAID TO ANOTHER MICHIGAN CITY

A resident shall be allowed a credit against the city income tax for the amount paid to the other municipality. The credit for tax paid to the other city is based upon income that is also taxable in Muskegon. The credit shall not exceed the amount of taxes which would be assessed under the City of Muskegon Income Ordinance on the same amount ofi ncome of a nonresident (.005). The credit allowed is the tax paid to the other city or 0.5% (.005) of the amount earned in that city during 2017, less exemptions allowed by the Muskegon Income Tax, whichever is smaller. Proof of payment to another city must be submitted. Attach a copy of the return filed with the other city. No credit is allowed for tax paid to another city in another state.

A Muskegon resident working in Grand Rapids, which has a non-resident tax rate of 0.75% (.0075), is only allowed a credit of 0.5% (.005) on their Muskegon tax return. This is the maximum amount of credit that the ordinance allows for a resident working in another city with an income tax.

Part year residents:

Include income on line 1 of this worksheet only to the extent that is taxable by Muskegon as a resident and taxable by another city that imposes an income tax as a non-resident.

1. Enter the income earned in another Michigan city that has a local tax.	**1.**	**.00**
2. Less: exemption amount from the Muskegon return. Number of exemptions _____ x $600.00	**2.**	**.00**
3. Subtract line 2 from line 1.	**3.**	**.00**
4. Rate.	**4.**	**.005**
5. Multiply line 3 by line 4. Enter here and on M-1040 line 21 or M-1040EZ line 10.	**5.**	**.00**

NOTE: You must complete a separate City Credit Worksheet for each city in which you file a non-resident return.

YOU MUST ATTACH A COPY OF PAGE ONE OF THE OTHER CITY'S RETURN.

TO AVOID UNNECESSARY CORRESPONDENCE AND A DELAY IN PROCESSING YOUR TAX RETURN CHECK TO SEE THAT:

- You signed your return, and if a joint return, that your spouse signed the return.
- Box 1 of the W-2 form(s) is attached to your return and that the wages add up to the same amount reported on line 1.
- Box 19 of the W-2 form(s) add up to the Muskegon tax withheld.
- Copies of federal schedules are attached to your return to supporting items reported on lines 6, 7, 10 and 14. (M-1040 only)
- Copies of schedules are attached to your return to supporting all exclusions, adjustments and deductions claimed (M-1040 only)
- A copy of the other city's return is attached to support your credit for tax paid to another Michigan city
- Payment is enclosed for the entire balance due, if applicable
- Front page of the Federal 1040, 1040A or 1040 EZ

THANK YOU

Mail all refunds, payments to:
INCOME TAX DEPARTMENT
CITY OF MUSKEGON
PO BOX 29
MUSKEGON MI 49443-0029

ALL PAYMENTS:
Make checks out to: City Of Muskegon

Write your social security number on the check or money order.

Return to:

MUSKEGON

West Michigan's Shoreline City

INCOME TAX DEPARTMENT
P.O. BOX 29
MUSKEGON, MICHIGAN 49443

If mailing label affixed, please peel off label and place it over address area of your Muskegon Income Tax Return. Do not use a label containing an error.

PRSRT STD
U.S. POSTAGE
PAID
PERMIT NO. 467
MUSKEGON, MICHIGAN