

2023 MUSKEGON INDIVIDUAL INCOME TAX RETURN FORMS AND INSTRUCTIONS FORM CF-M1040

ALL PERSONS HAVING \$600.00 OR MORE OF MUSKEGON TAXABLE INCOME DURING 2023 MUST FILE A RETURN

DONATION INFO

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, 2024. 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 2023 return, you may need to file a Declaration of Estimated Income Tax Form M-1040ES, for 2024. See Instructions for Filing a Declaration on page 1.

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.

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 can assist with any questions, but
cannot prepare your return.**

WHO MUST FILE A RETURN

If you had Muskegon taxable income greater than the total of your personal and dependency exemptions, you must file a tax return— even if you did not file a federal tax return. See Exemptions schedule for more information on your allowable exemption total. **You are required to file a tax return and pay tax even if your employer did not withhold Muskegon tax from your paycheck.** You will be required to make estimated income tax payments if you work for an employer not withholding Muskegon tax from your 2024 wages.

ESTIMATED TAX PAYMENTS

When your total income tax is greater than the amount of tax withheld plus other credits by \$100 or more, you may be required to make quarterly estimated tax payments. File Form M-1040ES (available on the Muskegon website) by April 30 of the tax year and pay at least one-fourth (¼) of the estimated tax. The remaining estimated tax is due in three equal payments on June 30 and September 30 of the tax year and January 31 of the following year. Adjust the remaining quarterly payments if your income increases or decreases during the year. **Failure to make required estimated tax payments or underpayment of estimated tax will result in assessment of penalty and interest.** If you have made estimated tax payments and do not owe more tax for the year, you still must file a tax return.

An extension does not extend the time for paying the tax due.

DUE DATE AND EXTENSIONS

Returns are due on or before April 30, 2024. The due date of the annual income tax return may be extended for a period not to exceed six months. To apply for an extension, use the Application for Extension of Time to File a Muskegon Income Tax Return. Applying for a federal extension does not satisfy the requirement for filing a city extension. Application for an extension must be made and the tentative tax due must be paid (MCL 141.664). Filing an extension with payment is not a substitute for making estimated tax payments.

AMENDED RETURNS

If a change on your federal return affects Muskegon taxable income, you must file an amended return within 90 days of the change and pay the tax due. All schedules supporting the changes should accompany the filing. Every change must be explained. Mail amended returns to: Muskegon Income Tax, P.O. Box 29, Muskegon, Michigan 49443-0029

CHARGES FOR LATE PAYMENTS

All tax payments remaining unpaid after they are due are liable for a penalty of 1% per month, not to exceed a total penalty of 25%, and bear interest at the rate of 1% above the prime rate on an annual basis. The minimum combined charge for interest and penalty is \$2.00.

DISCLAIMER

These instructions are interpretations of the Uniform City Income Tax Ordinance, MCLA 141.601 et seq. The City of Muskegon Ordinance will prevail in any disagreement between these instructions and the Ordinance.

COMPLETING YOUR RETURN**NAME, ADDRESS, SOCIAL SECURITY NUMBER**

- **Always write your complete social security number(s) on the return.** Your complete social security number must agree with the SSN on the Form(s) W-2 attached to your return. Complete social security numbers are required for both parties.
- Enter your name and, if a joint return, your spouse's name.
- If the taxpayer or spouse is deceased: attach a copy of federal Form 1310 or a copy of the death certificate; write deceased in the signature area; and enter the date of death in the box on the signature line of return.
- Enter your **current** address under Present home address. If using a P.O. Box, or an address that is not your legal residence, you must add an attachment that states your actual residence.
- Mark the box to indicate your filing status.

RESIDENCY STATUS

Indicate your residency status by marking (X) in the proper box.

Resident – a person whose domicile (principle residence) was in the City of Muskegon all year. File as a resident if you were a resident the entire year.

Nonresident – a person whose domicile (principle residence) was outside the City of Muskegon all year. File as a nonresident if you were a nonresident the entire year.

Part-Year Resident – a person who changed their domicile (primary residence) during the year from one inside Muskegon to one outside Muskegon or vice versa. If you were a resident for only part of 2023, use Schedule PY to calculate the tax and attach it to the CF-M1040.

Married with Different Residency Status. If you were married in 2023 and had a different residency status from that of your spouse, file separate returns or file a resident return using Form Schedule PY to compute the tax.

FILING STATUS

Indicate filing status by marking (X) the proper box. If married filing separately, enter spouse's Social Security number in the spouse's SSN box and enter the spouse's full name in the filing status box.

INCOME EXEMPT FROM CITY TAX

Muskegon does not tax the following types of income:

1. Social security, pensions and annuities (including disability pensions), Individual Retirement Account (IRA) distributions received after reaching age 59½.
2. Proceeds of insurance where the taxpayer paid policy premiums. (Payments from a health and accident policy paid by an employer are taxed the same as under the Internal Revenue Code).
3. Welfare relief, unemployment compensation and supplemental unemployment benefits.
4. Interest from obligations of the United States, the states or subordinate units of government of the states and gains or losses on the sales of obligations of the United States.
5. Military pay of members of the armed forces of the United States, including Reserve and National Guard pay.
6. Michigan Lottery prizes won on or before December 30, 1988. (Michigan lottery prizes won after December 30, 1988 are taxable.)
7. Sub-chapter S corporation dividends.
8. City, state and federal refunds.

ITEMS NOT DEDUCTIBLE ON THE CITY RETURN

Muskegon does **not** allow deductions for items such as taxes, interest, medical expenses, charitable contributions, casualty and theft losses, etc. In addition, the following federal adjustments are not deductible on the Muskegon return: student loan interest, Archer MSA deduction, self-employed health insurance deduction, one-half or self employment tax, and penalty for early withdrawal of savings.

FORM CF-M1040, PAGE 1, INSTRUCTIONS**TOTAL INCOME AND TAX COMPUTATION**

Round all figures to the nearest dollar.

Lines 1 – 16, Columns A & B – Federal Data and Exclusions

This tax form is designed for use by residents, nonresidents and part-year residents. The form starts with federal return data in column A; adjusts the data in column B for income taxable on the federal return that is nontaxable by Muskegon and vice versa; and reports income taxable by Muskegon in column C. Exclusions and adjustments (column B) must be explained by completing and attaching applicable exclusion or adjustment schedules or by attaching a separate explanation to the return. See exclusions and adjustments instructions in the resident and nonresident sections. Attach copies of federal schedules to support all entries on lines 6, 7, 8, 11 and 13 of Column A.

NOTE: Schedules, attachments and other documentation that support tax withheld, exclusions, adjustments or deductions must be provided. Failure to attach or attaching incomplete supporting information will delay processing of your return or result in tax withheld, exclusions, adjustments or deductions being disallowed.

Lines 1 - 16, Column C – Figure Taxable Income

Subtract column B from column A and enter difference in column C. Support figures with schedules.

Line 17 – Total Additions

Add lines 2 through 16.

Line 18 – Total Income

Add lines 1 through 16.

Line 19 – Total Deductions

Enter the total deductions from line 7 of Deductions schedule, page 2.

Line 20 – Total Income after Deductions

Subtract line 19 from line 18.

Line 21 – Exemptions

Enter the total number of exemptions (page 2, Exemptions Schedule, line 1h) on line 21a and multiply line 21a by \$600.00 and enter the product on line 21b.

Line 22 – Total Income Subject to Tax

Subtract line 21b from line 20. If line 21b is greater, enter zero.

Line 23 – Tax

Multiply line 22 by the appropriate tax rate to compute tax liability, and enter it on line 23b. (The resident tax rate is 1.0%. The nonresident rate is 0.5 %.) If you were a resident for only part of the year and used Schedule PY to compute your tax mark (X) line 23a and attach Schedule PY to the return.

Line 24a – Total Tax Withheld by Employers

The Muskegon tax withheld by each of your employers is to be reported on page 2 on the Excludible Wages and City Tax Withheld Schedule. Total Muskegon tax withheld, line 11 of this schedule, is reported on line 24a. The Form W-2 (Wage and Tax Statement) you received from each employer shows the tax withheld in box 19 and locality name in box 20.

You must attach an original copy of each Form W-2 showing the amount of MUSKEGON tax withheld and the locality name as Muskegon (or an equivalent indicating the tax was withheld for Muskegon). Credit for Muskegon tax withheld will not be allowed without a supporting original Form W-2.

Line 24b – Other Tax Payments

Enter the total of the following: estimated tax paid, credit forward from past tax year, tax paid with an extension, tax paid on your behalf by a partnership attach copy of K-1.

Line 24c – Tax Credit for Tax Paid to Another City (Residents only)

Enter on line 24c the credit for income taxes paid to another city. If you had income subject to tax in another city while you were a **resident of Muskegon**, you may claim this credit. The credit IS NOT NECESSARILY the tax paid to the other city. This credit must be based on income taxable by both cities, and the credit may not exceed the tax that a nonresident of Muskegon would pay on the same income. Base the credit on the amount actually paid to another city, not the amount withheld. **You must attach a copy of the income tax return filed with the other city to receive this credit.**

Line 24d – Total Payments and Credits

Add lines 24a through 24c. Enter the total on line 24d.

Line 25 – Interest and Penalty for Failure to Make Estimated Tax Payments; Underpayment of Estimated Tax; or Late Payment of Tax

Nonpayment or underpayment of estimated income tax and late payment of tax is subject to interest and penalty. You may calculate the amounts and enter interest on line 24a, penalty on 25b, and the total interest and penalty on line 25c or the city may calculate and assess it. Calculate estimated tax interest and penalty using Form L-2210.

TAX DUE OR REFUND

Line 26 – Tax Due and Payment of Tax

If the tax on line 23b plus the interest and penalty on line 25c exceeds the total Payments and Credits on line 24, enter the difference, the tax due, on line 26. The tax due must be paid with the return when filed. The due date for the return is April 30, 2024.

Pay by Check or Money Order Make the check or money order payable to CITY OF MUSKEGON, and mail with the return to Muskegon Income Tax, P.O. Box 29, Muskegon, Michigan 49443-0029. Do not send cash for your tax payment.

Pay by Credit Card, call 231-724-6770 or pay in person. There is a 2.8% fee for all cards. All forms must be submitted prior to making a payment.

Pay by Direct Withdrawal from Bank Account To have your payment directly withdrawn from your bank account, complete line 31. On line 31b, mark (X) the box "Pay Tax Due (direct withdrawal)" and enter the bank routing number on line 31c; the bank account number on line 31d; and the account type on line 31e. The tax is due at the time of filing the return. Direct withdrawal payments will be processed as soon as possible after receipt.

Line 27 – Overpayment

If the total payments and credits on line 24 exceed the tax on line 23 plus the interest and penalty on line 25c, enter the difference, the overpayment, on line 27. Use lines 28 through 31 to indicate what you want done with the refund. You must file the return even if there is no tax due, no overpayment or only a slight overpayment.

Line 28 – Donations

You may donate your overpayment, or a part of it, to the following: Lakeshore Trail Improvement (line 28a), Muskegon Farmers Market (line 28b) or Muskegon Dog Beach (line 28c). Enter the amount of your donation on the line for the donation(s) of your choice and enter the total on line 28d.

Line 29 – Credit Forward

Enter on line 29 the amount of overpayment to credit to the next year.

Line 30 – Refund

Please allow 45 DAYS before calling about a refund. You may choose to receive the refund as a paper check or a direct bank deposit.

Refund Check. If you want your refund issued as a paper check, enter on Line 30 the amount of the overpayment to be refunded.

Direct Deposit Refund. To have your refund deposited directly into your bank account, on line 31a, mark (X) the box "Refund (direct deposit)" and enter the bank routing number on line 31c; the bank account number on line 31d; and the account type on line 31e.

FORM CF-M1040, PAGE 2 INSTRUCTIONS

EXEMPTIONS SCHEDULE

Complete the Exemptions schedule to report and claim the total exemption amount allowed. Everyone who files a city return gets a personal exemption of \$600 for 2023. **You may claim an exemption even if someone else claims you as a dependent on their return.**

Lines 1a - 1c – You and Spouse. Enter your date of birth and mark (X) in the exemption boxes that apply to you. If filing jointly, complete line 1b for spouse. If you are age sixty-five or older, or are blind, deaf or permanently disabled you get an additional exemption. Mark (X) in the boxes that apply, and enter on line 1e the total number of exemption boxes marked.

Lines 1d – Dependents. Determine dependents using the same rules as on the federal return. If you cannot claim a dependent on the federal return, you cannot claim them on a city return. Enter the names of your dependent children that live with you, then the names of other dependents and their relationship to you. Provide dependents' Social Security numbers and dates of birth. Enter totals on 1f and 1g.

Lines 1e - 1h – Total Exemptions. Add the amounts on 1e, 1f and 1g, and enter the total exemptions on line 1h and on page 1, line 21a.

EXCLUDED WAGES SCHEDULE

If any wages reported on page 1, line 1, column A, are not taxable, the Excluded Wages schedule must be completed. The data to complete this schedule comes from the Excludible Wages, Salaries, Tips, Etc. schedule.

DEDUCTIONS SCHEDULE

You may deduct amounts that directly relate to income that is taxable by Muskegon, prorating where necessary. Allowable deductions include the following line number items:

Line 1 – Individual Retirement Account (IRA) Contributions

Contributions to an IRA are deductible to the same extent deductible under the Internal Revenue Code. **Attach schedule 1 of federal return and evidence of contribution**, which includes, but is not limited to, one of the following: a copy of receipt for IRA contribution, a copy of federal Form 5498, a copy of a cancelled check that clearly indicates it is for an IRA contribution. ROTH IRA contributions are not deductible.

Line 2 – Self-Employed SEP, SIMPLE and Qualified Plans

Self-employed SEP, SIMPLE and qualified retirement plan deductions may be entered on page 2, Deductions schedule, line 2.

Line 3 – Employee Business Expenses

Employee business expenses are deductible only when incurred in the performance of service for an employer and only to the extent not reimbursed by the employer. Meal expenses are not subject to the reductions and limitations of the Internal Revenue Code. Under the Muskegon Income Tax Ordinance meals must be incurred while away from home overnight on business.

BUSINESS EXPENSES ARE LIMITED TO THE FOLLOWING:

- Expenses of transportation, but not to and from work.
- Expenses of travel, meals and lodging while away from home overnight on business for an employer.
- Expenses incurred as an "outside salesperson" away from the employer's place of business. This does not include driver-salesperson whose primary duty is service and delivery.
- Expenses not reimbursed by employer from an expense account or other arrangement if included in gross earnings.

Attach a detailed list of your employee business expenses.

Line 4 – Moving Expenses - Armed Forces Only

Moving expenses for moving **into** the Muskegon area are deductible to the same extent deductible under the Internal Revenue Code. Moving must be related to starting work in a new location. **Attach a copy of federal Form 3903 or a list of moving expenses, with the distance in miles from where you moved.**

Line 5 – Alimony Paid

Separate maintenance payments, alimony, and principal sums payable in installments (to the extent includable in the spouse's or former spouse's adjusted gross income under the federal Internal Revenue

Code) and deducted on the federal return are deductible. Child support is not deductible. **Attach a copy of federal schedule 1.**

NOTE: The above deductions are limited to the amount claimed on your federal return, except meals. The deductions are limited by the extent they apply to income taxable under the Muskegon Income Tax Ordinance. Part-year residents must allocate deductions the same way they allocate income.

Line 6 – Renaissance Zone

A Renaissance Zone deduction may be claimed by a qualified resident domiciled in a Renaissance Zone, an individual with income from rental real estate located in a Renaissance Zone and an individual proprietor or a partner in a partnership that has business activity within a Renaissance Zone. Residents are not qualified to claim the deduction until they have been domiciled in a Renaissance Zone for 183 consecutive days. Individuals are not qualified to claim the Renaissance Zone deduction if they are delinquent for any Michigan or Muskegon taxes. A city income tax return must be filed to qualify and claim this deduction.

Line 7 – Total Deductions

Add lines 1 through 6. Enter the total on line 7 and on page 1, line 19.

PART-YEAR RESIDENTS

If you had income taxable as a resident **and** as a nonresident during the year, you must file as a part-year resident. Part-year residents compute the amount of their tax on Schedule PY, which has multiple tax rates. Complete the form using the instructions for the Schedule PY.

Income is allocated according to the residency status for each item of

ADDRESS SCHEDULE

Every taxpayer must complete the Address schedule. Start by listing the address used on last year's return. If this address is the same as listed on page 1, write "Same." If no 2022 return was filed provide reason none was filed. Complete the schedule by listing the addresses of the other principal residences (domiciles) occupied during 2023 Mark whether the address was for the taxpayer (T), spouse (S) or both (B) and enter the beginning and ending dates of residence at each.

THIRD-PARTY DESIGNEE

To allow another person to discuss the tax return information with the Income Tax Office, mark (X) the "Yes" box and enter the person's name, phone number and any five digits as their personal identification number (PIN). To designate the tax preparer, enter "Preparer."

SIGN THE RETURN

You must sign and date the return. If filing a joint return, both spouses must sign and date the return. If someone else prepared the return, they must sign it and provide their address and telephone number.

income. Adjustments and deductions must be allocated in the same way income is allocated. Use the instructions for residents and non-residents as a guide to allocate income.

Get forms on the website: WWW.MUSKEGON-MI.GOV, or visit 933 Terrace, Muskegon, Michigan.

RESIDENTS

Line 1 – Wages, Salaries, Tips, Etc.

Report on line 1, column A, the amount of wages, salaries, tips, etc. from your federal tax return (Form 1040).

Page 1 & 2 and Schedule 1 of the federal tax return must be attached to all resident tax returns. All W-2 forms showing wages and Muskegon tax withheld must be attached to page 1 of the return.

A resident is taxed on **ALL** earnings, including salary, bonus, separation, and incentive payments, tips, commissions and other compensation for services rendered—**no matter where earned**. Example: Taxpayer lives in the City of Muskegon but works in Grand Rapids and receives a paycheck from the home office in New York City: 100% of this compensation is taxable.

If your employer did not withhold Muskegon tax from your paycheck, you are still required to file and pay tax on those wages at the resident tax rate. *You will also be required to make estimated tax payments if your employer does not withhold Muskegon tax for you in 2024.*

Report on line 1, column B, the total excluded wages. All nontaxable wages must be documented **and** listed, by employer, on the Excluded Wages schedule on page 2. A resident's wages are generally not excludible. An example of excludible (nontaxable) resident wages is military pay.

Line 2 – Interest

Interest is taxable the same as on the federal return except for interest on U.S. Bonds, Treasury Bills and notes which may be excluded.

Report the amount of taxable interest income from federal 1040, on line 2, column A. Report on line 2, column B, interest from U.S. Bonds and Treasury Bills and notes; document this excluded interest on the Excludible Interest Income schedule. S corporation flow through interest income is not taxable.

Line 3 – Dividends

Dividends are taxable. Report on line 3, column A, the total amount of dividend income from the federal return. Report on line 3, column B, excludible dividends from U.S. Bonds, Treasury Bills and notes, and documents on the Excludible Dividend Income schedule. S Corporation flow through dividend income is not taxable.

Line 4 – Taxable Refunds, Credits or Offsets

NOT TAXABLE. Exclude all. No explanation needed.

Line 5 – Alimony Received

Alimony received is taxable based on federal guidelines. Report on line 5, columns A and C, the amount of alimony received as reported on the federal return.

Line 6 – Business Income

All self-employment income is taxable regardless of where the business is located. Report on line 6, columns A and C, the total business income from the federal return.

Attach a complete copy of federal Schedule C. Federal rules concerning passive losses are applicable to losses deducted on a city return.

Line 7 – Capital Gain or (Loss)

The Uniform City Income Tax Ordinance follows the Internal Revenue Code regarding capital gains. All capital gains realized while a resident are taxable regardless of where the property is located, with the following exceptions:

1. Capital gains on sales of obligations of the United States and subordinate units of government.
2. The portion of the capital gain or loss on property purchased prior to the inception of the Muskegon income tax ordinance that is attributed to the time before inception ordinance.
3. Capital loss carryovers that originated prior to the taxpayer becoming a resident of Muskegon are not deductible.

Capital losses are allowed to the same extent they are allowed under the Internal Revenue Code and limited to \$3,000 per year. Unused net capital losses may be carried over to future tax years. The capital loss carryover for Muskegon may be different than the carryover for federal income tax purposes.

Deferred capital gain income from installment sales and like-kind exchanges are taxable in the same year reported on the taxpayer's federal income tax return.

Flow through income or loss from an S corporation reported on federal Sch. D is not taxable. **Attach copies of federal Sch. K-1 (Form 1120S).**

Residents reporting capital gains or losses **must attach a copy of federal Schedule D and supporting schedule 8949.**

Excluded capital gains must be explained on the Exclusions and Adjustments to Capital Gains or (Losses) schedule.

Line 8 – Other Gains or (Losses)

Other gains or losses are taxable to the extent that they are taxable on the federal 1040. Other gains and losses realized while a resident are taxable regardless of where the property is located, except the portion of the gain or loss on property purchased prior to the inception of the Muskegon Income Tax Ordinance.

Deferred other gains from installment sales and like-kind exchanges are taxable in the year recognized on the federal income tax return. Deferred gains **must be supported by attaching a copy of federal Form 6252 and/or Form 8824.**

Residents reporting other gains and losses **must attach a copy of federal Form 4797.**

Flow through income or loss from an S corporation reported on federal Form 4797 of a resident is not taxable. **Attach copies of federal Schedule K-1 (Form 1120S).**

Use the Exclusions and Adjustments to Other Gains or (Losses) schedule to compute exclusions and adjustments to other gains and losses reported on your federal income tax return.

Line 9 –IRA Distributions

In column A enter the IRA distributions reported on federal Form 1040. Premature IRA distributions (Form 1099-R, box 7, distribution code 1)

Exclude in column B, IRA distributions qualifying as retirement benefits: IRA distributions received after age 59½ or described by Section 72(t) (2)(A)(iv) of the IRC and all other excludible IRA distributions. The **Exclusions and Adjustments to IRA Distributions** schedule is used to document excluded IRA distributions.

Line 10 –Taxable Pension Distributions

Enter on line 10, column A, pension and annuities reported on federal Form 1040. Excluded pension and retirement benefits are reported on line 10, column B and explained on the **Exclusions and Adjustments to Pension Distributions** schedule.

Pension and retirement benefits from the following are not taxable:

1. Pension plans that define eligibility for retirement and set contribution and benefit amounts in advance;
2. Qualified retirement plans for the self-employed;
3. Distributions from a 401(k) or 403(b) plan attributable to employer contributions or attributable to employee contributions to the extent they result in matching contributions by the employer;
4. Benefits from any of the previous plans received on account of disability or as a surviving spouse if the decedent qualified for the exclusion at the time of death;
5. Benefits paid to an individual from a retirement annuity policy that has been annuitized and paid over the life of the individual.

Pension and retirement benefits from the following are taxable:

1. Premature pension plan distributions (those received prior to qualifying for retirement);
2. Amounts received from deferred compensation plans that let the employee set the amount to be put aside and do not set retirement age or requirements for years of service. These plans include, but are not limited to, plans under IRC Sections 401(k), 457 and 403(b):
 - Amounts received before the recipient could retire under the plan provisions, including amounts paid on separation, withdrawal or discontinuance of the plan; Amounts received as early retirement incentives, unless the incentives were paid from a pension trust;

3. Benefits paid from a retirement annuity policy other than annuitized benefits paid over the life of the individual are taxable to the same extent taxable under the Internal Revenue Code.

Report taxable pension and retirement income on line 10, column C.

Line 11 – Rental Real Estate, Royalties, S Corporations, Partnerships, Royalties, Estates, Trust, Etc.

All income reported on federal Schedule E may be taxable. A resident's share of an S corporation's flow through income is not taxable. Report this income on line 11, columns A.

Line 12 – Subchapter S Corporation Distributions

S corporation distributions received by a resident from the corporation's Accumulated Adjustments Account, Other Adjustments Account and/or the Shareholder's Undistributed Taxable Income Previously Taxed Account (federal Form 1120S, Schedule M-2, line 7) are income on a city return and are to be reported on this line. These distributions are found on federal Schedule K-1 (1120), line 16. Report these distributions on the Adjustments for Tax Option Corporation (like Subchapter S Corporation) Distributions schedule. Also **attach copies of federal Schedule K-1 (Form 1120S).**

Line 13 – Farm Income (Or Loss)

Profit or loss from the operation of a farm is taxable as reported on the federal return regardless of where the farm is located. There are no exclusions. **Attach a complete copy of federal Schedule F.**

Line 14 – Unemployment Compensation

NOT TAXABLE. Exclude all. No explanation needed.

Line 15 – Social Security Benefits

NOT TAXABLE. Exclude all. No explanation needed.

Line 16 – Other Income

Other income reported on the resident's federal return is taxable except for income from recoveries related to federal itemized deductions from prior tax years. Report on this line a net operating loss carryover from the previous tax year. Complete report exclusions and adjustments on p.2, using the Line 16 - **Exclusions and Adjustments to Other Income** schedule.

Line 17 – Total Additions Add lines 2 through 16.

Line 18 – Total Income

Add lines 1 through 16 of each column and enter amounts on line 18.

Line 19 – Deductions

Enter amount from Deductions schedule, page 2, line 7.

NONRESIDENTS

NONRESIDENT INCOME SUBJECT TO TAX:

1. Compensation for work done or services performed in the city, which includes, but is not limited to, the following: salaries, wages, bonuses, commissions, fees, tips, incentive payments, severance pay, vacation pay and sick pay.
2. Net profits of from the operation of an unincorporated business, profession or other activity attributable to business activity conducted in Muskegon, whether or not such business is located in Muskegon.
3. Gains or losses from the sale or exchange of real or tangible personal property located in Muskegon.
4. Net profits from the rental of real or tangible personal property located in Muskegon.
5. Premature distributions from an Individual Retirement Account (IRA) where a deduction was claimed on a current or previous year's city income tax return.
6. Premature distributions from a pension plan attributable to work performed in Muskegon.
7. Deferred compensation earned in Muskegon before retirement.

Line 1 – Wages, Salaries, Tips, Etc.

All wages taxed on the federal return are to be reported on page 1, line 1, column A of the city return. All W-2 forms showing income earned in Muskegon and or tax withheld for Muskegon must be attached to the return.

Page 1 & 2 and Schedule 1 of the federal tax return must be attached to all resident tax returns.

Report on page 1, line 1, column B, the total excluded wages. All excluded wages must be documented on the Excludible Wages, Salaries, Tips, Etc. schedule

and listed, by employer, on the Excluded Wages schedule on page 2 of the tax form on line 1-10. On the Excludible Wages, Salaries, Tips, Etc. schedule, lines 7 and 8, list the reason the wages are excludible and the address of the work station where work was performed for the employer.

Do not use box 18 of W-2 form to report taxable wages or to allocate wages: use box 1 wages only. A separate wage allocation must be completed for each employer. Wages are normally allocated using the actual number of days or hours worked in and outside the city during the tax year for an employer. Vacation time, sick time and holidays are not included in total days worked in arriving at the wage allocation percentage. Vacation pay, holiday pay, sick pay, bonuses, severance pay, etc. are taxable to same extent as normal earnings.

100% Earned in Muskegon. All wages, salaries, tips, sick pay, bonuses, deferred compensation, severance pay, and other compensation (Form W-2, box 1) is taxable to nonresidents who worked 100% of the time in the city.

Allocate Total Wages. Nonresidents who performed only part of their services for an employer in the city must allocate their wages using the **W-2 form box 1 amount, not box 18.** Compute excludible wages using the Nonresident and Part-Year Resident Wage Allocation section of the Excludible Wages, Salaries, Tips, Etc. schedule.

Wage Allocations on Commissions, Etc. A nonresident salesperson paid on a commission basis or other results achieved should allocate wages based on commissions received or other results achieved attributable to efforts expended in Muskegon. A nonresident insurance salesperson paid sales commissions and renewal commissions should allocate compensation on the following basis: Allocate commissions

from life, health, accident and vehicle (auto) insurance based on the location (residence) of the purchaser. Allocate commissions from group insurance based on the location of the group. Allocate commissions from fire and casualty insurance based on the location of the risk insured. Nonresidents working totally outside the city for an employer should exclude all of these wages.

Line 2 – Interest

NOT TAXABLE. Exclude all interest income. No explanation needed.

Line 3 – Dividends

NOT TAXABLE. Exclude all dividend income. No explanation needed.

Line 4 – Taxable Refunds, Credits or Offsets

NOT TAXABLE. Exclude all. No explanation needed.

Line 5 – Alimony Received

NOT TAXABLE. Exclude all. No explanation needed.

Line 6 – Profit (Or Loss) from a Business, Etc.

Profit (or loss) from the operation of a business or profession is taxable to the extent it results from work done, services rendered or other business activities conducted in Muskegon. Report on page 1, line 6, column A, business income reported taxable on your federal return.

The Exclusions and Adjustments to Business Income schedule is used to exclude business income. The total excluded business income from line 5 of this schedule is also entered on page 1, line 6, column B. If a business operates both in and outside of the city, the taxable profit or loss is determined using the three factor Business Allocation formula.

Where no work is done, services rendered or other business activity is conducted in Muskegon, the profit or loss is entirely excluded. Complete the Exclusions and Adjustments to Business Income schedule to exclude profit or loss from the operation of a business.

A Muskegon net operating loss carryover from the previous tax year is reported on page 1, line 16, column C. See instructions for line 16.

Line 7 – Capital Gains or Losses

Capital gains or losses of a nonresident are included in taxable income to the extent the gains or losses are from property located in Muskegon. Capital losses from property located in the city are allowed to the same extent they are allowed under the Internal Revenue Code. Unused capital losses may be carried over to future tax years. The capital loss carryover for Muskegon may be different than the carryover for federal income tax purposes.

Deferred capital gain income from installment sales and like-kind exchange of property located in Muskegon are taxable in the year recognized on the taxpayer's federal income tax return.

Flow through income or loss from an S corporation reported on a nonresident's federal Schedule D is excluded on the Exclusions and Adjustments to Capital Gains or (Losses) schedule **Attach copies of federal Schedule K-1 (Form 1120S).**

Use the Exclusions and Adjustments to Capital Gains or (Losses) schedule to compute exclusions and adjustments to capital gains. **NOTE:** A common error on a nonresident return is failure to complete the Exclusions and Adjustments schedule to exclude the capital loss carryover reported on the taxpayer's federal income tax return.

Line 8 – Other Gains and Losses

A nonresident's other gains and losses are included in taxable income to the extent the gains or losses are from property located in Muskegon. Deferred other gains and losses from installment sales and like-kind exchanges of property located in the city are taxable in the year recognized on the taxpayer's federal income tax return. Deferred other gains must be supported by attaching a copy of federal Form 6252 and/or Form 8824.

Flow through income or loss from an S corporation reported on federal Form 4797 is excluded on the Exclusions and Adjustments to Other Gains and (Losses) schedule. **Attach copies of federal Schedule K-1 (Form 1120S).**

Nonresidents reporting other gains and losses **must attach a copy of federal Form 4797.** Use the Exclusions and Adjustments to Other Gains and Losses schedule to compute exclusions and adjustments to other gains and losses reported on the federal income tax return. On line 4 of the schedule enter the total excluded other gains or losses and also enter this total on page 1, line 8, column B.

Line 9 – IRA Distributions

That portion of a premature IRA distribution that was deducted from a city's taxable income in the current or a prior tax year (reported on Form 1099-R, box 7, distribution code 1) are taxable to a nonresident. IRA distributions received after age 59½ or described by Section 72(t)(2)(A)(iv) of the IRC are not taxable.

Line 10 – Taxable Pension Distributions

Premature pension plan distributions (those received by a nonresident prior to qualifying for retirement) are taxable to the same extent the normal wages from the employer are taxable.

A nonresident remaining employed by the particular employer in Muskegon may not exclude amounts received from deferred compensation plans that let the employee set the amount to be put aside and do not set retirement age or requirements for years of service. These plans include, but are not limited to, plans under Sections 401(k), 457 and 403(b) of the Internal Revenue Code (IRC): Amounts received before the recipient could retire under the plan provisions, including amounts paid on separation, withdrawal or discontinuance of the plan. Amounts received as early retirement incentives, unless the incentives were paid from a pension trust. See Line 10 under "Residents" for additional information on nontaxable pension and retirement benefits.

Excludible pension distributions are listed on the Exclusions and Adjustments to Pension Income schedule. Enter the total excluded pension distributions on the last line of the schedule and also enter the amount on page 1, line 10, column B.

Line 11 – Rental Real Estate, Royalties, Partnerships, S Corporations, Estates, Trusts, Etc.

All income reported on the federal Schedule E that comes from business activity in Muskegon or property located in Muskegon is taxable to nonresidents. When an estate or trust has taxable income in the city, the estate or trust must file a return and pay tax on distributions to nonresidents and on undistributed taxable income.

The following income reported on federal Schedule E is excludable: income from business activity or property outside Muskegon; S corporation flow through income or loss reported on Schedule E; and income from estates and trusts.

Explain all exclusions on the Exclusions and Adjustments to Income from Rental Real Estate, Royalties, Partnerships, S Corporations, Trusts, Etc. schedule. Enter the total of the exclusions and adjustments listed on this schedule on line 6 and also on page 1, line 11, column B

Line 12 – Subchapter S Corporation Distributions

None of these distributions are taxable to a nonresident.

Line 13 – Farm Income or (Loss)

A nonresident's profit or loss from a farm are included in city income to the extent the profit or loss results from work done, services rendered or other activities conducted in Muskegon. The portion of the profit or loss reported on the city return is determined by use of the three factor Farm Allocation Percentage formula. Where no work is done, services rendered or other business activity is conducted in Muskegon, the entire farm profit or loss is excluded, using the Exclusions and Adjustments to Farm Income schedule.

Sales of crops at the produce market, any of the farmer's markets or a produce stand located in the city are Muskegon business activity and subject to Muskegon income tax.

Line 14 – Unemployment Compensation

NOT TAXABLE. Exclude all. No explanation needed.

Line 15 – Social Security Benefits

NOT TAXABLE. Exclude all. No explanation needed.

Line 16 – Other Income

Other income is taxable if it is from work performed or other activities conducted in Muskegon. Use the Exclusions and Adjustments to Other Income schedule to document exclusions and adjustments. Report on this line a Muskegon-related net operating loss carryover from previous year.

Line 17 – Total Additions Add lines 2 through 16

Line 18 – Total Income

Add lines 1 through 16 of each column and enter amounts on line 18.

Line 19 – Total Deductions

Enter amount from Deductions schedule, page 2, line 7. A nonresident's deductions are limited by the extent they relate to income taxable under the Muskegon Income Tax Ordinance. Nonresidents must allocate deductions the same way related income is allocated. See Deductions schedule (page 2 instructions) for a list of allowable deductions.

Taxpayer's SSN		Taxpayer's first name Initial Last name		RESIDENCE STATUS	
Spouse's SSN		If joint return spouse's first name Initial Last name		<input type="checkbox"/> Resident <input type="checkbox"/> Nonresident <input type="checkbox"/> Part-year resident Part-year resident - dates of residency (mm/dd/yyyy) From _____ To _____	
Mark (X) box if deceased <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Present home address (Number and street) Apt. no.		FILING STATUS	
Enter date of death on page 2, right side of the signature area		Address line 2 (P.O. Box address for mailing use only)		<input type="checkbox"/> Single <input type="checkbox"/> Married filing jointly <input type="checkbox"/> Married filing separately. Enter spouse's SSN in Spouse's SSN box and Spouse's full name here.	
Mark box (X) below if: <input type="checkbox"/> Federal Form 1310 attached		City, town or post office State Zip code		Spouse's full name if married filing separately _____	
<input type="checkbox"/> Itemized deductions on your Federal tax return for 2023		Foreign country name Foreign province/county Foreign postal code			

ROUND ALL FIGURES TO NEAREST DOLLAR (Drop amounts under \$0.50 and increase amounts from \$.50 to \$0.99 to next dollar)		Column A Federal Return Data	Column B Exclusions/Adjustments	Column C Taxable Income
SEND COPY OF PAGE 1 OF FEDERAL RETURN	1. Wages, salaries, tips, etc. (W-2 forms must be attached)	1		
	2. Taxable interest	2		
	3. Ordinary dividends	3		
	4. Taxable refunds, credits or offsets of state and local income taxes	4		NOT TAXABLE
	5. Alimony received	5		
	6. Business income or (loss) (Attach copy of federal Schedule C)	6		
	7. Capital gain or (loss) (Attach copy of fed. Sch. D) 7a. <input type="checkbox"/> Mark if federal Sch. D not required	7		
	8. Other gains or (losses) (Attach copy of federal Form 4797)	8		
	9. Taxable IRA distributions (Attach copy of Form(s) 1099-R)	9		
	10. Taxable pensions and annuities (Attach copy of Form(s) 1099-R)	10		
	11. Rental real estate, royalties, partnerships, S corporations, trusts, etc. (Attach copy of federal Schedule E)	11		
	12. Subchapter S corporation distributions (Attach federal Sch. K-1)	12	NOT APPLICABLE	
	13. Farm income or (loss) (Attach copy of federal Schedule F)	13		
	14. Unemployment compensation	14		NOT TAXABLE
	15. Social security benefits	15		NOT TAXABLE
	16. Other income (Attach statement listing type and amount)	16		
	17. Total additions (Add lines 2 through 16)	17		
	18. Total income (Add lines 1 through 16)	18		
19. Total deductions (Subtractions) (Total from page 2, Deductions schedule, line 7)			19	
20. Total income after deductions (Subtract line 19 from line 18)			20	
21. Exemptions (Enter the total exemptions, from Form CF-M1040, page 2, box 1h, in line 21a and multiply this number by the value of an exemption and enter on line 21b)		21a <input type="text"/>	21b	
22. Total income subject to tax (Subtract line 21b from line 20)			22	
23. Tax at (tax rate) (Multiply line 22 by Muskegon resident tax rate of 1.0% (0.01) or nonresident tax rate of 0.5% (0.005) and enter tax on line 23b, or if using Schedule PY to compute tax, check box 23a and enter tax from Schedule PY, line 23c)		23a <input type="text"/>	23b	
24. Payments and credits 24a <input type="text"/> Muskegon tax withheld 24b <input type="text"/> Other tax payments (est, extension, or fwd, partnership & tax option corp) 24c <input type="text"/> Credit for tax paid to another city Total payments & credits 24d <input type="text"/>				
25. Interest and penalty for: failure to make estimated tax payments; underpayment of estimated tax; or late payment of tax 25a <input type="text"/> Interest 25b <input type="text"/> Penalty Total interest & penalty 25c <input type="text"/>				
26. MAKE CHECK OR MONEY ORDER PAYABLE TO: CITY OF MUSKEGON OR TO PAY WITH A DIRECT WITHDRAWAL LINES Complete lines 31b, c, d & e			PAY WITH RETURN 26	
27. Tax overpayment (Subtract lines 23b and 25c from line 24d; choose overpayment options on lines 28 - 30)			27	
28. Amount of overpayment donated 28a <input type="text"/> Lakeshore Trail Improvement 28b <input type="text"/> Muskegon Farmers Market 28c <input type="text"/> Muskegon Dog Beach Total donations 28d <input type="text"/>				
29. Amount of overpayment credited forward to 2024			Amount of credit to 2024 29	
30. Amount of overpayment refunded (Line 27 less lines 28d and 29) (For refund to be directly deposited to your bank account, mark refund box, line 31a, and complete line 31 c, d & e)			Refund amount >> 30	
31. (Mark (X) box 31a or 31b and complete lines 31c, 31d, and 31e)	31a <input type="checkbox"/> Direct deposit refund or Direct withdrawal payment 31b <input type="checkbox"/>	31c <input type="text"/> Refund (direct deposit) 31d <input type="text"/> Account number 31e <input type="text"/> Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		

SEND W-2 FORMS

ENCLOSE CHECK OR MONEY ORDER

EXEMPTIONS SCHEDULE

Date of birth (mm/dd/yyyy) Regular 65 or over Blind Deaf Disabled

1a. You

1b. Spouse

1d. List Dependents 1c. Check box if you can be claimed as a dependent on another person's tax return

1e. Enter the number of boxes checked on lines 1a and 1b

#	First Name	Last Name	Social Security Number	Relationship	Date of Birth
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					

1f. Enter number of dependent children listed on line 1d

1g. Enter number of other dependents listed on line 1d

1h. Total exemptions (Add lines 1e, 1f and 1g; enter here and also on page 1, line 21a)

EXCLUDED WAGES AND TAX WITHHELD SCHEDULE (See instructions. Resident wages generally not excluded)

W-2 #	Col. A T or S	COLUMN B SOCIAL SECURITY NUMBER (Form W-2, box a)	COLUMN C EMPLOYER'S ID NUMBER (Form W-2, box b)	COLUMN D EXCLUDED WAGES (Attach Excluded Wages Sch)	FAILURE TO ATTACH W-2 FORMS TO PAGE 1 WILL DELAY PROCESSING OF RETURN. WAGE INFORMATION STATEMENTS PRINTED FROM TAX PREPARATION SOFTWARE ARE NOT ACCEPTABLE.	COLUMN E MUSKOGON WITHHELD (Form W-2, box 19)	COLUMN F LOCALITY NAME (Form W-2, box 20)
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.	Totals (Enter here and on page 1; part-yr residents on Sch PY)			<< Enter on pg 1, Line 1, col B		Enter on pg 1, In 24a	

DEDUCTIONS SCHEDULE (See instructions; deductions allocated on the same basis as related income)

	DEDUCTIONS
1. IRA deduction (Attach copy of Schedule 1 of federal return & evidence of payment)	1
2. Self-employed SEP, SIMPLE and qualified plans (Attach copy of Schedule 1 of federal return)	2
3. Employee business expenses (Attach copy of CF-2106 and detailed list)	3
4. Moving expenses (Into city area only, active Military ONLY) (Attach copy of federal Form 3903)	4
5. Alimony paid (DO NOT INCLUDE CHILD SUPPORT. Attach copy of Schedule 1 of federal return for divorces prior to 2019)	5
6. Renaissance Zone deduction (Attach Schedule RZ OF 1040)	6
7. Total deductions (Add line 1 through line 6, enter total here and on page 1, line 19)	7

ADDRESS SCHEDULE (Where taxpayer (T), spouse (S) or both (B) resided during year and dates of residency)

MARK T, S, B	List all residence (domicile) addresses (Include city, state & zip code). Start with address used on last year's return. If the address on page 1 of this return is the same as listed on last year's return, print "Same." If no return filed last year, list reason. Continue listing this tax year's residence addresses. If address listed on page 1 of this return is in care of another person, enter current residence (domicile) address.	FROM		TO	
		MONTH	DAY	MONTH	DAY

THIRD PARTY DESIGNEE

Do you want to allow another person to discuss this return with the Income Tax Office? Yes, complete the following No

Designee's name Phone No. Personal identification number (PIN)

Under the penalty of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. If I am a resident claiming a credit for taxes paid to another city, I acknowledge and consent to the City's verification of unrefunded payment to that city. If prepared by a person other than taxpayer, the preparer's declaration is based on all information of which preparer has any knowledge.

SIGN HERE

TAXPAYER'S SIGNATURE - If joint return, both spouses must sign Date (MM/DD/YY) Taxpayer's occupation Daytime phone number If deceased, date of death

SPOUSE'S SIGNATURE Date (MM/DD/YY) Spouse's occupation If deceased, date of death

PREPARER'S SIGNATURE SIGNATURE OF PREPARER OTHER THAN TAXPAYER Date (MM/DD/YY) PTIN, EIN or SSN Preparer's phone no.

FIRM'S NAME (or yours if self-employed), ADDRESS AND ZIP CODE NACTP software number

Taxpayer's name	Taxpayer's SSN	2023 MUSKEGON	
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SCHEDULE PY, PART-YEAR RESIDENT TAX CALCULATION - CF-M1040, PAGE 1, LINES 23a AND 23b **Attachment 1**

Revised: 12/14/2023

A part-year resident is required to complete and attach this schedule to the Muskegon return:

1. Box A to report dates of residency of the taxpayer and spouse during the tax year
2. Box B to report the former address of the taxpayer and spouse
3. Column A to report all income from their federal income tax return
4. Column B to report all income taxable on their federal return that is not taxable to Muskegon
5. Column C to report income taxable as a resident and compute tax due on this income at the resident tax rate
6. Column D to report income taxable as a nonresident and compute tax due on this income at the nonresident tax rate

A. PART-YEAR RESIDENCY PERIOD	From	To	B. PART-YEAR RESIDENT'S FORMER ADDRESS
Taxpayer			Taxpayer
Spouse			Spouse

INCOME		Column A Federal Return Data	Column B Exclusions and Adjustments	Column C Taxable Resident Income	Column D Taxable Nonresident Income
1. Wages, salaries, tips, etc. (Attach Form(s) W-2)	1	.00	.00	.00	.00
2. Taxable interest	2	.00	.00	.00	NOT TAXABLE
3. Ordinary dividends	3	.00	.00	.00	NOT TAXABLE
4. Taxable refunds, credits or offsets	4	.00	.00	NOT APPLICABLE	NOT TAXABLE
5. Alimony received	5		.00	.00	.00
6. Business income or (loss) (Att. copy of fed. Sch. C)	6	.00	.00	.00	.00
7. Capital gain or (loss) (Att. copy of Sch. D)	7a	Mark if Sch. D not required	7b	.00	.00
8. Other gains or (losses) (Att. copy of Form 4797)	8	.00	.00	.00	.00
9. Taxable IRA distributions	9	.00	.00	.00	.00
10. Taxable pensions and annuities (Att. Form 1099-R)	10	.00	.00	.00	.00
11. Rental real estate, royalties, partnerships, S corps., trusts, etc. (Attach copy of fed. Sch. E)	11	.00	.00	.00	.00
12. Subchapter S corporation distributions (Attach federal Sch. K-1)	12	.00	.00	.00	.00
13. Farm income or (loss) (Att. copy of fed. Sch. F)	13	.00	.00	.00	.00
14. Unemployment compensation	14	.00	.00	NOT APPLICABLE	NOT TAXABLE
15. Social security benefits	15	.00	.00	NOT APPLICABLE	NOT TAXABLE
16. Other income (Att. statement listing type and amt)	16	.00	.00	.00	.00
17. Total additions (Add lines 2 through 16)	17	.00	.00	.00	.00
18. Total income (Add lines 1 through 16)	18	.00	.00	.00	.00

DEDUCTIONS SCHEDULE See instructions. Deductions must be allocated on the same basis as related income.

1. IRA deduction (Attach copy of Schedule 1 of federal return & evidence of payment)	1	.00	.00	.00	.00
2. Self-employed SEP, SIMPLE and qualified plans (Attach copy of Schedule 1 of fed. return)	2	.00	.00	.00	.00
3. Employee business expenses (Attached CF-2106 and detailed list)	3			.00	.00
4. Moving expenses (Into city area only) (Attach copy of federal Form 3903) Armed forces only	4	.00	.00	.00	.00
5. Alimony paid (DO NOT INCLUDE CHILD SUPPORT. (Att. copy of page 1 of fed. return))	5	.00	.00	.00	.00
6. Renaissance Zone deduction (Att. Sch. RZ)	6			.00	.00
19. Total deductions (Add lines 1 through 6)	19			.00	.00
20a. Total income after deductions (Subtract line 19 from line 18)	20a			.00	.00
20b. Losses transferred between columns C and D (If line 20a is a loss in either column C or D, see instructions)	20b			.00	.00
20c. Total income after adjustment (Line 20a less line 20b)	20c			.00	.00
21. Exemptions (Enter the number of exemptions from Form CF-M1040, page 2, box 1h, on line 21a; and multiply by 600.00, and enter on line 21b) (If the amount on line 21b exceeds the amount of resident income on line 20c, enter unused portion (line 20b less line 20c) on line 21c)	21a	21b	21c	.00	.00
22a. Total income subject to tax as a resident (Subtract line 21b from line 20c; if zero or less, enter zero)	22a			.00	.00
22b. Total income subject to tax as a nonresident (Subtract line 21c from line 20c; if zero or less, enter zero)	22b				.00
23a. Tax at resident rate (MULTIPLY LINE 22a BY 1.% (0.01), THE RESIDENT TAX RATE)	23a			.00	.00
23b. Tax at nonresident rate (MULTIPLY LINE 22b BY 0.5% (0.005), THE NONRESIDENT TAX RATE)	23b				.00
23c. Total tax (Add lines 23a and 23b) (ENTER HERE AND ON FORM CF-M1040, PAGE 1, LINE 23b, AND PLACE A MARK (X) IN BOX 23a OF FORM CF-M1040)	23c			.00	.00

Return to:



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

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

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.

PLEASE REMEMBER TO:

- ✓ Sign your return. If a joint return, both spouses must sign even if only one had income subject to Muskegon income tax.
- ✓ Attach a copy of page one of your Federal Form 1040.
- ✓ Attach copies of Form(s) W-2. If you are claiming a credit for Muskegon withholding, the locality name on your W-2 must be Muskegon.
- ✓ Attach Federal Schedules and other city returns as needed. See Summary of Required Attachments on page 2 of form CF-M1040.

See instructions to determine if you are required to file quarterly estimated payments.

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

**ALL PAYMENTS:
Make checks payable to: City Of Muskegon**