



CITY OF MUSKEGON HEIGHTS 2021 INDIVIDUAL RETURN

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, 2021. 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 Treasurer. Mail return and payment to the address below.
MAILING ADDRESS	Muskegon Heights City Income Tax Division 2724 Peck Street Muskegon Heights, Michigan 49444
DECLARATION OF ESTIMATED INCOME TAX	If you are paying \$100.00 or more with your 2020 return, you may need to file a Declaration of Estimated Income Tax, Form MH-1040ES, for 2022. See Instructions for Filing a Declaration on page 4.
CHECK TO SEE THAT	<input type="checkbox"/> W-2 forms attached add up to the wages on line 1. <input type="checkbox"/> W-2 forms attached add up to the Muskegon Heights Tax withheld. <input type="checkbox"/> Federal schedules attached support figures reported on lines 6, 7, 10 and 14. (MH-1040 only) <input type="checkbox"/> Schedules attached support all exclusions, adjustments and deductions claimed. (MH-1040 only) <input type="checkbox"/> A copy of other city's tax return is attached to support credit claimed.

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.

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U.S. POSTAGE
PAID
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GRAND RAPIDS, MI

INCOME TAX DIVISION
CITY OF MUSKEGON HEIGHTS
2724 PECK STREET
MUSKEGON HEIGHTS, MI 49444

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2020 MUSKEGON HEIGHTS INCOME TAX RETURN FORM CHANGES

There are no significant changes to the 2020 income tax return forms.

WHO MUST FILE A RETURN

If you had City of Muskegon Heights 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 exemptions. You are required to file a tax return and pay tax even if your employer did not withhold City of Muskegon Heights tax from your paycheck. You will be required to make estimated income tax payments if you work for an employer not withholding City of Muskegon Heights tax from your 2020 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 MH-1040ES (available on the City of Muskegon Heights 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.

DUE DATE AND EXTENSIONS

Returns are due on or before April 30, 2021. If a due date falls on a weekend or holiday, the due date becomes the next business day. The due date of the annual income tax return may be extended for a period not to exceed six months. The extension is granted Automatic Extension of Time to File an Individual Income Tax Return. Applying for a federal extension does not satisfy the requirement for filing a City of Muskegon Heights 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. **An extension does not extend the time for paying the tax due.**

When an extension form is filed and the balance due is paid, it may be assumed that the extension is automatically granted unless otherwise notified. Interest and penalty is charged on taxes paid late even if an extension of time to file is granted. Penalty may be waived by the Income Tax Administrator if the tax paid by the original due date is not understated by more than 5% of tax or the taxpayer is able to show that the failure to pay on time was due to reasonable cause.

AMENDED RETURNS

File amended returns using the Form MH-1040X. If a change on your federal return affects City of Muskegon Heights taxable income, you must file an amended return within 90 days of the change. All schedules supporting the changes should accompany the filing. Every change must be explained. Mail amended returns to: City of Muskegon Heights Income Tax, 2724 Peck Street, Muskegon Heights, MI 49444-2030.

CHARGES FOR LATE PAYMENTS

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

DISCLAIMER

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

COMPLETING YOUR RETURN

NAME, ADDRESS, SOCIAL SECURITY NUMBER

- Always write your social security number(s) on the return. Your social security number must agree with the SSN on the Form(s) W-2 attached to your return.
- 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 of the death certificate; mark (X) the box under the social security numbers indicating the taxpayer and/or spouse is deceased;
- If Form 1310 is attached, mark (X) box indicating the form is attached; write "deceased" in the signature area on page 2; and enter the date of death in the box on the right side of the signature line.
- Enter your current residence (domicile) address on the present home address line. If using a PO Box for mailing purposes, enter the PO Box number on

address line 2. If using an in care of address that is not your legal residence (domicile), you must report your residence (domicile) address in the Address Schedule on page 2.

RESIDENCY STATUS

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

Resident - a person whose domicile (principle residence) was in the City of Muskegon Heights 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 Heights 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 City of Muskegon Heights to one outside City of Muskegon Heights or vice versa. If you were a resident for only part of 2020, use form MH-1040 to calculate the tax and attach it to the MH-1040.

Check Residency. See the Muskegon Heights Street Directory to check if an address is located in the city: www.muskegonheights.us.

Married with Different Residency Status. If you were married in 2020 and had a different residency status from that of your spouse, file separate returns or file a part-year resident return using Form MH-1040 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

City of Muskegon Heights 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 distributions.
8. City, state and federal refunds.

ITEMS NOT DEDUCTIBLE ON THE CITY OF MUSKEGON HEIGHTS RETURN

City of Muskegon Heights 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: educator expenses; certain business expenses of reservists, performing artists, and fee-basis government officials; health savings account deduction; deductible part of self-employment tax; self-employed health insurance deduction; penalty for early withdrawal of savings; student loan interest deduction; tuition and fees; and domestic production activities deduction.

FORM MH-1040, PAGE 1, INSTRUCTIONS

TOTAL INCOME AND TAX COMPUTATION

Round all figures to the nearest dollar and report whole dollar amounts.

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

In column A enter data from federal return for each line. In column B enter exclusions and adjustments to federal data.

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.

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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, 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 result is less than zero, 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 1.5%. The nonresident rate is 0.75%.) If you were a part-year resident using Form MH-1040TC to compute your tax, must mark (X) line 23a and attach Form MH-1040TC to your return.

Line 24 - Payments and Credits

Line 24a - City of Muskegon Heights Tax Withheld by Employers

The Muskegon Heights, MI tax withheld by each of your employers is to be reported on page 2 on the Excludible Wages and City Tax Withheld Schedule. Total City of Muskegon Heights 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 the locality name in box 20.

You must attach a copy of each Form W-2 showing the amount of City of Muskegon Heights tax withheld and the locality name as City of Muskegon Heights (or an equivalent indicating the tax was withheld for City of Muskegon Heights).

Credit for tax withheld will not be allowed without a supporting 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 and any credit for tax paid by a tax option corporation. A City of Muskegon Heights resident reporting and paying income tax on flow through income from a tax option corporation (S corporation) may claim a credit for their proportionate share of income tax paid by the tax option corporation to City of Muskegon Heights or another city. This credit may not exceed the amount of income tax that the corporation would pay if the income was taxable in City of Muskegon Heights. Attach documentation of tax paid.

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

Enter on line 24c the credit for income taxes paid to the another city. If you had income subject to tax in another city while you were a **resident of City of Muskegon Heights**, 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 City of Muskegon Heights would pay on the same income. Base the credit on the amount of the other city's tax, 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 25a, 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 MH-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 24d, enter the difference, the tax due, on line 26, otherwise leave blank. The tax due must be paid with the return when filed. The due date for the return is April 30, 2020.

Pay by Check or Money Order. Make the check or money order payable to the CITY OF MUSKEGON HEIGHTS, place the check or money order in front of page 1 of the tax form and mail the return with the payment to: City of Muskegon Heights

Income Tax, 2724 Peck Street, Muskegon Heights, Michigan 49444-2030. Do not send cash for your tax payment. The tax is due at the time of filing the return. Pay by Direct Withdrawal from Bank Account. Payment by direct withdrawal from your bank account may be made on your return form by marking (X) the box on line 31b, completing lines 31c, 31d and marking (X) the type of account box, checking or savings, on line 31e.

Direct withdrawal payments are credited on the date received or the postmark date of the return or payment. Direct withdrawal payments will be processed as soon as possible after receipt of the return or receipt of the payment voucher.

Payment Voucher. Tax preparation software may support payment of tax due using a payment voucher, Form MH-1040PV or Form MH-1040PV-EFT. Use Form MH-1040PV to make payment with a check or money order separate from the return. Use Form MH-1040PV-EFT to make a direct withdrawal payment separate from the return. Do not complete line 31 of the return form when payment is made using a payment voucher. The voucher payment and the voucher must be mailed separately, from the return, to: City of Muskegon Heights Income Tax, 2724 Peck Street, Muskegon Heights, MI 49444-2030. The tax is due at the time of filing the return. The tax due return is to be mailed to: City of Muskegon Heights Income Tax, 2724 Peck Street, Muskegon Heights, MI 49444-2030.

Line 27 - Overpayment

If the total payments and credits on line 24d exceed the tax on line 23b plus the interest and penalty on line 25c, enter the difference, the overpayment, on line 27, otherwise leave blank. 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 street improvements in the City of Muskegon Heights. Enter the amount of your donation on line 28.

Line 29 - Credit Forward

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

Line 30 - Refund

Enter on Line 30 the amount of the overpayment to be refunded.

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

Refund Check. If you want a paper check refund, do not complete line 31 and a paper check will be issued for the amount on line 30.

Direct Deposit Refund. To have your refund deposited directly into your bank account, complete line 31. 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 MH-1040, PAGE 2 INSTRUCTIONS

EXEMPTIONS SCHEDULE

Complete the Exemptions Schedule to report and claim the total number of personal and dependency exemptions allowed. Everyone who files a City of Muskegon Heights return gets a personal exemption of \$600 for 2020. 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) the exemption box for your regular personal exemption. If filing joint, enter your spouse's date of birth and mark (X) the exemption box for your spouse's regular personal exemption. You may claim an additional exemption if you or your spouse is: 65 years of age or older; or blind.

Lines 1d - Dependents.

You may claim the same dependents you are allowed on your federal return. Enter the names of your dependent children that live with you, then the names of other dependents and their relationship to you. Provide each dependent's Social Security number and date of birth. Enter totals on 1f and 1g.

Lines 1e-1h - Total Exemptions.

Add the amounts on 1e, 1f and 1g; enter the total on line 1h; and also enter the total on page 1, line 21a.

EXCLUDED WAGES AND TAX WITHHELD SCHEDULE

Complete columns A through F for each employer or other source of wages. In Column A enter T for taxpayer's or S for spouse's employer. In column B enter the social security number from the employer's Form W-2, box a. In column C enter the employer's ID number from the employer's Form W-2, box b. If there are no excludible wages from an employer enter a zero (0) in Column D otherwise enter the excluded wages as reported on the Wages and Excludible Wages Schedule

(Attachment 2). Complete columns E and F to report City of Muskegon Heights income tax withheld by the employer or other source of wages. If no City of Muskegon Heights tax was withheld, leave columns E and F blank.

The Wages and Excludible Wages Schedule (Attachment 2) must also be completed. The total wages reported on The Wages and Excludible Wages Schedule must equal the wages reported on page 1, line 1, column A and the total excluded wages on this schedule must equal the amount in the Excluded Wages and Tax withheld Schedule column d, line 11.

DEDUCTIONS SCHEDULE

You may deduct amounts that directly relate to income that is taxable by the City of Muskegon Heights, 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 page 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 City of Muskegon Heights 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 reimbursed by employer from an expense account or other arrangement if included in gross earnings.

NOTE: Other business expenses (besides items A and B) are not allowed unless taxpayer qualifies as an outside salesperson.

Complete the Employee Business Expense Deduction worksheet to support the claimed Employee Business Expense deduction.

Line 4 - Moving Expenses

This deduction has been greatly limited by the US Tax Cuts and Jobs Act. Qualified moving expenses for moving into the City of Muskegon Heights 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 the Moving Expense Deduction Worksheet, Form MH-3903, to support the claimed moving expense deduction.

Line 5 - Alimony Paid

This deduction has been limited by the US Tax Cuts and Jobs Act. Qualified 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 return, page 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 City of Muskegon Heights Income Tax Ordinance. Part-year residents must allocate deductions the same way they allocate income.

Line 6 - Renaissance Zone

The 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. Individuals who qualify for the deduction **must attach Schedule RZ of MH-1040** to their return to claim the deduction. 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 City of Muskegon Heights taxes. A City of Muskegon Heights income tax return must be filed to qualify and claim this deduction. Schedule RZ is available at muskegonheights.us.

Line 7 - Total Deductions

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

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 2018 return was filed provide reason none was filed. Complete the schedule by listing the addresses of the other principal residences (domiciles) occupied during 2021. 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 authorize another person to discuss the tax return information with the Income Tax Department, 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.

NONRESIDENT INCOME SUBJECT TO TAX:

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

Line 1 - Wages, Salaries, Tips, Etc.

All wages of a nonresident are to be reported on the Wages and Excludible Wages Schedule. The total wages from line 22 of this schedule is the amount reported on Form MH-1040, page 1, line 1, column A. The total wages should be the same as the wages reported on your federal tax return (Form 1040, Form 1040A or Form 1040EZ).

All W-2 forms showing income earned in City of Muskegon Heights and/or tax withheld for City of Muskegon Heights must be attached to the return.

Report on page 1, line 1, column B, the total excluded wages from Line 16 of the Wages, Excludible Wages and City Tax Withheld schedule.

All excluded wages must be documented on the Wages and Excludible Wages Schedule and listed, by employer, on the Excluded Wages and Tax Withheld Schedule on Form MH-1040, page 2. On the Wages and Excludible Wages schedule, line 7, list the address of the work station where you performed the work for the employer and on line 19, enter the reason the wages are excludible.

Do not use box 18 of W-2 form to report taxable wages or to allocate wages, use all wages reported on your federal return as the allocation basis. 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 of City of Muskegon Heights 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 City of Muskegon Heights. All wages, salaries, tips, sick pay, bonuses, deferred compensation, severance pay, and other compensation (Form

W-2, boxes 1 and 8) is taxable to nonresidents who worked 100% of the time in City of Muskegon Heights. Wage Allocation. Nonresidents who performed only part of their services for an employer in the City of Muskegon Heights must allocate their wages. Use the Nonresident and Part-Year Resident Wage Allocation section of the Wages and Excludible Wages 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 City of Muskegon Heights. 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.

Line 2 - Interest

Non-business interest income of a nonresident is not taxable. Exclude all non-business interest income. No explanation needed.

Interest income that is business income from business activity in City of Muskegon Heights is taxable and must be reported. Attach a schedule showing source and computation of taxable and nontaxable interest income.

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 City of Muskegon Heights. 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 City of Muskegon Heights, 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 City of Muskegon Heights, 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 City of Muskegon Heights 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 City of Muskegon Heights. Capital losses from property located in City of Muskegon Heights 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 City of Muskegon Heights 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 City of Muskegon Heights 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 or (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 City of Muskegon Heights. Deferred other gains and losses from installment sales and like-kind exchanges of property located in City of Muskegon Heights 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 the City of Muskegon Heights 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 59 ½ 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 City of Muskegon Heights 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. Form 1099-R, box 7, code 8, Excess contributions or excess deferrals taxable in current tax year are taxable to a nonresident to the same extent and on the same basis as the normal earning from the specific employer are taxable. Note: Form 1099-R, box 7, code P, reports excess contributions or excess deferrals taxable in the prior tax year and may require a nonresident to file an amended return for the prior tax year.

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 City of Muskegon Heights or property located in City of Muskegon Heights is taxable to nonresidents. When an estate or trust has taxable income in City of Muskegon Heights, 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 City of Muskegon Heights including royalty income upon which Michigan severance tax was paid; 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. On line 6 of this schedule enter the total exclusions and adjustments; enter also on page 1, line 11, column C.

Line 12 - Reserved – Not used

Line 13 - Farm Income or (Loss)

A nonresident's profit or loss from a farm are included in City of Muskegon Heights income to the extent the profit or loss results from work done, services rendered or other activities conducted in City of Muskegon Heights. The portion of the profit or loss reported on the City of Muskegon Heights 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 City of Muskegon Heights, 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 is City of Muskegon Heights business activity and subjects the farm to City of Muskegon Heights income tax.

Line 14 - Unemployment Compensation

NOT TAXABLE. Exclude all. No explanation needed.

2021 MUSKEGON HEIGHTS MH-1040 INSTRUCTIONS - PAGE 5 OF 5

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 The City of Muskegon Heights. Use the Exclusions and Adjustments to Other Income schedule to document exclusions and adjustments. Report on this line a City of Muskegon Heights related net operating loss carryover from the previous tax year.

Line 17 - Reserved – Not used**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 City of Muskegon Heights 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.

2021 MUSKEGON HEIGHTS MH-1040
INDIVIDUAL INCOME TAX RETURN – DUE DATE APRIL 30, 2022

PAGE 1 OF 2
REVISED 01/2022

TAXPAYER'S SSN	TAXPAYER'S FIRST NAME		INITIAL	LAST NAME	RESIDENCE STATUS <input type="checkbox"/> RESIDENT <input type="checkbox"/> NONRESIDENT <input type="checkbox"/> PART-YEAR RESIDENT	
SPOUSE'S SSN	IF JOINT, SPOUSE'S FIRST NAME		INITIAL	LAST NAME	PART-YEAR - DATES OF RESIDENCY (MM/DD/YYYY) FROM: TO:	
X BOX IF DECEASED Enter date of death on signature of page 2. <input type="checkbox"/> TAXPAYER <input type="checkbox"/> SPOUSE	HOME ADDRESS (NUMBER AND STREET OR RURAL ROUTE)			APT. NUMBER	FILING STATUS <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.	
X BOX IF: <input type="checkbox"/> FEDERAL FORM 1310 ATTACHED <input type="checkbox"/> ITEMIZED DEDUCTIONS ON YOUR FEDERAL TAX RETURN FOR 2021	ADDRESS LINE 2 (PO BOX FOR MAILING USE ONLY)					
	CITY, TOWN, OR POST OFFICE		STATE	ZIP CODE		
	FOREIGN COUNTRY		FOREIGN PROVINCE/COUNTY	FOREIGN POSTAL CODE	SPOUSE'S FULL NAME IF FILING SEPARATELY	

ATTACH COPIES OF FEDERAL RETURN HERE

SEND W-2 FORMS

ENCLOSE CHECK OR MONEY ORDER

INCOME	ROUND ALL FIGURES TO NEAREST DOLLAR DROP AMOUNTS UNDER \$0.50 AND INCREASE AMOUNTS \$0.50 TO \$0.99 TO NEXT DOLLAR	COLUMN A FEDERAL RETURN DATE	COLUMN B EXCLUSIONS/ADJUSTMENTS	COLUMN C TAXABLE INCOME
1. Wages, salaries, tips, etc. (W-2 forms must be attached)		.00	.00	.00
2. Taxable interest		.00	.00	.00
3. Ordinary dividends		.00	.00	.00
4. Taxable refunds, credits, or offsets of state and local income taxes		.00	.00	NOT TAXABLE
5. Alimony received		.00	.00	.00
6. Business income or loss (Attach copy of federal Schedule C)		.00	.00	.00
7. Capital gain or loss (Attach copy federal Schedule D) 7a. <input type="checkbox"/> X mark if federal Schedule D not required		.00	.00	.00
8. Other gains or loss (Attach copy of federal Form 4797)		.00	.00	.00
9. Taxable IRA distributions (Attach copy of Form(s) 1099R)		.00	.00	.00
10. Taxable pensions and annuities (Attach copy of Form(s) 1099R)		.00	.00	.00
11. Rental real estate, royalties, partnerships, S corporations, trusts, etc. (Attach copy of federal Schedule E)		.00	.00	.00
12. Subchapter S corporation distributions (Attach copy federal Schedule K-1)	NOT APPLICABLE		.00	.00
13. Farm income or loss (Attach copy of federal Schedule F)		.00	.00	.00
14. Unemployment compensation		.00	.00	NOT TAXABLE
15. Social security benefits		.00	.00	NOT TAXABLE
16. Other income (Attach statement listing type and amount)		.00	.00	.00
17. Total additions (Add lines 1 through 16)		.00	.00	.00
18. Total income (Add lines 1 through 16)		.00	.00	.00
19. Total deductions (subtractions) (Total from page 2. Deductions Schedule line 7)				.00
20. Total income after deductions (Subtract line 19 from line 18)				.00
21. Exemptions (Enter the total exemptions, from Form CF-1040, page 2 box 1h, on line 21a and multiply this number by the value of an exemption and enter on line 21b)		21a. <input type="checkbox"/>	21b.	.00
22. Total income subject to tax (Subtract line 21b from line 20)				.00
23. Multiply line 17 by 1% (.01) for residents or ½% (.005) for non-residents or check this box		23a. <input type="checkbox"/>	23b.	.00
24. Payments and credits	24a. Tax withheld .00 24c. Credit for tax paid to another city .00	24b. Other tax payments (est, extension, or fwd, partnership, and tax option corp)	24d. Total payments and credits	.00
25. Interest and penalty for failure to; make estimated tax payments, underpayment of estimated tax, or late payment of tax	25a. Interest .00 25b. Penalty .00	25c. Total interest and penalty		.00
26. TAX DUE Amount you owe (Add lines 23b and 25c, then subtract line 24d) MAKE CHECK OR MONEY ORDER PAYABLE TO: CITY OF MUSKEGON HEIGHTS.		PAY WITH RETURN >		.00
27. OVERPAYMENT Tax overpayment (Subtract lines 23b and 25c from line 24d, choose overpayment options on lines 28 thru 30)				.00
28. Amount of overpayment donation to street improvement				.00
29. Amount of overpayment credited forward to 2022		Amount of credit to 2022 >		.00
30. Amount of overpayment refunded (Subtract lines 28d and 29 from line 27) (For refund to be directly deposited to your bank account, X box 31a and complete lines 31c, 31d and 31e)		Refund amount >		.00

MAIL TO: CITY OF MUSKEGON HEIGHTS, 2724 PECK STREET, MUSKEGON HEIGHTS, MI 49444-2030

2021 MUSKEGON HEIGHTS MH-1040

PAGE 2 OF 2

REVISED 01/2022

TAXPAYER'S SSN

TAXPAYER'S SSN

EXEMPTIONS SCHEDULE

1a. Taxpayer: Date of birth (mm/dd/yyyy)	<input type="checkbox"/> Regular	<input type="checkbox"/> 65 or over	<input type="checkbox"/> Blind	<input type="checkbox"/> Deaf	<input type="checkbox"/> Disabled
1b. Spouse: Date of birth (mm/dd/yyyy)	<input type="checkbox"/> Regular	<input type="checkbox"/> 65 or over	<input type="checkbox"/> Blind	<input type="checkbox"/> Deaf	<input type="checkbox"/> Disabled
1c. <input type="checkbox"/> Check box if you can be claimed as a dependent on another person's tax return.					
1d. List dependents					
First Name	Last Name	Social Security Number	Relationship	Date of Birth	
1.					1e. Enter the number of boxes checked on lines 1a and 1b
2.					1f. Enter the number of dependent children listed on line 1d
3.					1g. Enter the number of other dependents listed on line 1d
4.					
5.					
6.					1h. Total exemptions (Add lines 1e, 1f and 1g; enter here and also on page 1 line 21a)
7.					
8.					

EXCLUDED WAGES AND TAX WITHHELD SCHEDULE (See instructions, resident wages generally not excluded)

COLUMN A T or S	COLUMN B Social Security Number (Form W-2 box b)	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 MH Tax Withheld (Form W-2, box 19)	COLUMN F Locality Name (Form W-2, box 20)
1.			.00		.00	
2.			.00		.00	
3.			.00		.00	
4.			.00		.00	
5.			.00		.00	
6.			.00		.00	
7.			.00		.00	
8.			.00		.00	
9.			.00		.00	
10.			.00		.00	
11. Totals (Enter here and on page 1; part-year resident on Sch TC)			.00	< Enter on page 1, line 1, col B	.00	< Enter on page 1, line 24a

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

1. IRA deduction (Attach copy of Schedule 1 of federal return and evidence of payment)	.00
2. Self-employed SEP, SIMPLE and qualified plans (Attach copy of Schedule 1 of federal return)	.00
3. Employee business expenses (Attach copy of CF-2106 and detailed list)	.00
4. Moving expenses (Into city area only. Military ONLY)(Attach copy of federal Form 3903)	.00
5. Alimony paid (DO NOT INCLUDE CHILD SUPPORT) (Attach copy of Schedule 1 of federal return)	.00
6. Renaissance Zone deduction (Attach Schedule RZ of 1040)	.00
7. Total deductions (Add line 1 through line 6, enter total here and on page 1, line 19)	.00

SUMMARY OF REQUIRED ATTACHMENTS

ALL FILERS

- All form W-2s
- Page 1 and 2 of federal Form 1040

FILERS TAKING A CREDIT FOR TAX PAID TO ANOTHER CITY

- Copy of page one of the other city(ies) return

IF APPLICABLE

- Federal Schedule 1
- Federal Form 3903

- Federal Schedule C
- Federal Schedule D, Forms 8949, 4797, 6252
- Federal Schedule E including Federal Schedule K-1 for all S corporations shown on Schedule E, if any

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 Designee's phone no. Personal identification number (PIN)

SIGN HERE

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 prepared by a person other than taxpayer, the preparer's declaration is based on all information of which preparer has any knowledge.

SIGNATURE OF TAXPAYER	Date (mm/dd/yyyy)	Taxpayer's occupation	Taxpayer's phone no.	If deceased, date of death
SIGNATURE OF SPOUSE (if filing jointly)	Date (mm/dd/yyyy)	Spouse's occupation	Taxpayer's phone no.	If deceased, date of death
SIGNATURE OF PREPARER OTHER THAN TAXPAYER			Date (mm/dd/yyyy)	PIN, EIN or SSN
FIRM'S NAME (or yours if self-employed) ADDRESS AND ZIP CODE				Preparer's phone no.

2021 MUSKEGON HEIGHTS MH-1040EZ

INDIVIDUAL INCOME TAX RETURN – DUE DATE APRIL 30, 2022

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

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	<input type="checkbox"/> Check box if this is the first time you filed a Muskegon Heights return.	<input type="checkbox"/> Check box if your address has changed since filing your 2020 return.	<input type="checkbox"/> Check box if you do not need a return form mailed to you next year.	RESIDENCY STATUS <input type="checkbox"/> RESIDENT <input type="checkbox"/> 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 Heights. Attach your W-2 forms (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 Heights 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 Heights tax withheld by employers (attach W-2 forms showing Muskegon Heights withheld)			8.	0 0
	9. Payments on 2021 Declaration of Muskegon Heights 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 Heights			12.	0 0
REFUNDS AND CREDITS	13. If line 11 is larger than line 7, subtract line 7 from line 11. This is your refund. Allow at least 60 days.			13.	0 0
	14. <input type="checkbox"/> Check this box to DONATE your refund to street improvements.			14.	0 0
	15. <input type="checkbox"/> Check this box to credit this refund to the 2022 estimated tax liability.			15.	0 0
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 Heights income I received during the tax year.				For City of Muskegon Heights use. Please do not write in this box.	
Mail return to: Income Tax Department, 2724 Peck Street, Muskegon Heights, MI 49444					
PLEASE SIGN HERE	Your Signature	Date	Spouse's Signature		
KEEP A COPY OF THIS FOR YOUR RECORDS.					

PLEASE ROUND TO THE NEAREST DOLLAR

2021 INSTRUCTIONS FOR FORM MH-1040EZ

WHO CAN USE THIS FORM

USE THIS FORM IF:

You were a resident of Muskegon Heights for all of 2021 with income from wages, interest or dividends with none of the income being excludable from Muskegon Heights income tax and the tax payments are Muskegon Heights tax withheld, estimated tax payments and credit for income tax paid to another Michigan city; or

You were a non-resident of Muskegon Heights for all of 2021 with wages earned in Muskegon Heights and none of the earnings from Muskegon Heights employers is excludable from Muskegon Heights income tax.

YOU CANNOT USE THIS FORM IF:

You received alimony payments, had Muskegon Heights 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

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 Heights income tax return.

ADDRESS CHANGE

Check the address change box if your address had changed since filing your 2020 Muskegon Heights income tax return.

RESIDENCY STATUS

Check the resident or non-resident box under Residency Status. **A part year resident of Muskegon Heights 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 Heights, use Form MH-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 HEIGHTS 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 2020 including the amount paid with voucher 4 due January 31, 2022.

LINE 10.

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

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 overpayments will be refunded or may be donated to the Street Improvements, or Credited to the 2022 estimated tax liability. To donate the overpayment, check the donation box on line 14 and enter the overpayment. To claim a refund, enter the overpayment on line 13. Enter the overpayment on line 15 if you want it credited to your 2022 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
SPOUSE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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
4. TOTAL NUMBER OF DEPENDENCY EXEMPTIONS (ADD BOXES 1A, 2A AND 3A. 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

2021 MUSKEGON HEIGHTS MH-1040TC

TAX CALCULATIONS SCHEDULE FOR USE BY PART YEAR RESIDENTS

TAXPAYER'S NAME		SOCIAL SECURITY NUMBER	
2021 MUSKEGON HEIGHTS RESIDENCY	NUMBER OF MONTHS	FROM	TO
FORMER ADDRESS			

COLUMN 1	COLUMN 2	CATEGORIES OF INCOME			COLUMN 6
		COLUMN 3	COLUMN 4	COLUMN 5	
SOURCES OF INCOME	TOTAL INCOME ADJUSTMENTS OR DEDUCTIONS	EXCLUDABLE INCOME ADJUSTMENTS AND DEDUCTIONS	MUSKEGON HEIGHTS 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 HEIGHTS INCOME					100%
4. RENAISSANCE ZONE DEDUCTION					
5. EXEMPTION AMOUNT					
6. TAXABLE INCOME			00	00	00
7. TAX RATES (0.5% = .005 AND 1% = .01)			0.5%	1%	
8. TAX			00	00	00

PLEASE ROUND TO THE NEAREST DOLLAR

INSTRUCTIONS FOR MH-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 MH-1040.
- LINE 5. Enter in column 6 the total exemption credit from Form MH-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 MH-1040, line 18.

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

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 Heights. The credit shall not exceed the amount of taxes which would be assessed under the City of Muskegon Heights Income Ordinance on the same amount of income 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 2020, less exemptions allowed by the Muskegon Heights 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 Heights 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 Heights 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 Heights 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 Heights 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 MH-1040 line 21 or MH-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 forms attached to your return add up to the wages reported on line 1.
- ☐ Box 18 of the W-2 forms attached to your return add up to the Muskegon Heights tax withheld.
- ☐ Copies of federal schedules are attached to your return to support items reported on lines 6, 7, 10 and 14. (MH-1040 only)
- ☐ Copies of schedules are attached to your return to support all exclusions, adjustments and deductions claimed. (MH-1040 only)
- ☐ A copy of the other city's return is attached to your return if you claimed a credit for tax paid to another Michigan city.
- ☐ Payment is enclosed for the entire balance due, if applicable.

(Please write your social security number on the check or money order.)

THANK YOU

RETURN ADDRESS

PLACE STAMP HERE
THE POST OFFICE
WILL NOT
DELIVER MAIL
WITHOUT
POSTAGE



**MUSKEGON HEIGHTS INCOME TAX DIVISION
MUSKEGON HEIGHTS CITY HALL
2724 PECK STREET
MUSKEGON MI 49444-2030**

**CONFIDENTIAL TAX
INFORMATION ENCLOSED**



