

contributes at least 50% of his/her support. Additional exemptions are not allowed if the Partner or his spouse is over 65, or is blind.  
Total Tax - Columns 5, 6, and 6 (1).

Enter the tax computed at 1% for resident Partners in Column 5, the tax computed for non-resident Partners in Column 6 and the total tax (the sum of Columns 5 and 6) in the box designated 6 (1).

#### Credits - Column 7.

Enter in Column 7: Payments made by the Partnership for tax paid with a tentative return or for payments on prior year Declaration of Estimated Income Tax, or any payments and credits made by the Partnership on behalf of Flint resident Partners for income taxes to any other municipality, if the income on which such tax was levied is included in this return. Do not take credit for income taxes paid another municipality on behalf of Partners who are not Flint residents. The credit shall be 1/2% (.5%) of the total taxable income earned in the other municipality.

All credits of Column 7 are to be distributed on Lines 7a, b, and c, and totalled on Line 8. The total of Line 8 must agree with the total of Column 7.

### **Schedule C - Income from Partnership**

**Line 17** - Depreciation. Use the same basis and method used for Federal Income Tax reporting. See also the additional instructions for Schedule C on Page 4 of the return.

### **Schedule A - Ordinary Income from Business**

**Line 2** - If the Flint or Federal income tax has been included as an expense in Schedule C, it should be added back here.

### **Schedule B - Income from Dividends and Interest**

**Line 2** - Interest from obligations of the United States, the states, or subordinate units of government of the states, are exempted from the tax. If they have been included in the total on Line 1 they should be deducted here.

**Line 4** - Use Line 4 to exclude dividends and interest applicable to non-resident Partners since dividends and interest are not taxable to non-residents.

When the receipt of interest and other intangible income is directly related to the nature of the business, such interest, etc. shall be considered as business income taxable to non-residents, and is to be reported on Schedule C rather than as dividends and interest on Schedule B.

### **Schedule E - Sale or Exchange of Property**

Gains and losses from the sale or exchange of property are treated in the same manner, and the amount subject to tax is determined on the same basis, as under the Federal Internal Revenue Code.

Only the amount of the gain or loss occurring from January 1, 1965 to the date of disposition shall be recognized for purposes of the Flint income tax. The amount of gain or loss occurring after January 1, 1965 is to be determined by either (1) computing the difference between the January 1, 1965 fair market value (January 4 closing price for traded securities) or the costs if the date acquired was subsequent to January 1, 1965, and the proceeds from the sale or exchange, or (2) by using the gain or loss for the entire holding period, as

computed for the Federal income tax purposes, and computing the taxable portion of such gain or loss on the ratio that the number of months held in the period subsequent to January 1, 1965 is to the total time the property was held.

### **Schedule F - Income (or Loss) from Rents and Royalties**

**Lines 1 and 2** - Income or loss from rents from property located in Flint is taxable to both residents and non-residents.

**Line 3** - Income or loss from royalties, and rents of property located outside Flint, is not taxable to non-residents.

### **Schedule G - Income from Other Partnerships, etc.**

**Line 1** - Enter here the amount taxable to residents only. If all members of the Partnership are residents it will not be necessary to complete Lines 2 and 3 of this schedule. Enter the full amount received from other Partnerships in Column 1. If any interest on governmental obligations or dividends from national or state bank stock is included in the total, deduct such amounts in Column 2 and show the net amount in Column 3.

**Lines 2 and 3** - Whenever the members of a Partnership include both residents and non-residents of Flint it will be necessary to analyze the type of income received from other Partnerships. This is necessary since the income received from such other Partnerships may include amounts for business activity in Flint and also amounts for business activity outside Flint. It may also include amounts for dividends and interest. Some elements of this income are taxable to both residents and non-residents, some to residents only. Attach a schedule of your analysis or computations.

### **Schedule 1 - Summary of Schedules A, B, E, F, and G**

**Column 1** - If additional first year depreciation is included in Schedule C, Line 17, and if the Partners have unequal credits for such additional first year depreciation (e.g. if one Partner is single and one is married filing jointly for Federal income tax purposes) the apportionment of income to Partners in this column will require special computation.

### **Tax Due or Refund**

If the Partnership has elected to pay tax for the Partners and payments and credits exceed the tax due, show the amount of such overpayment on Page 1, Line 10 and check the proper box on Line 11 to indicate whether you wish the overpayment as a refund or as a credit on your estimated tax. Refunds will be made as quickly as possible, but please allow 90 days before making any inquiry. Refunds of less than one dollar (\$1.00) will not be made. Tax due of less than one dollar (\$1.00) need not be paid.

### **Assistance**

If there are questions not answered in these instructions or if you need assistance in preparing your return, call (810)766-7015 or visit the Income Tax Office, City Hall. Questions by mail should be directed to:

**Income Tax Administrator  
City of Flint, Income Tax Office  
1101 S. Saginaw Street  
Flint, MI 48502**