

DEDUCTIONS

- 16) Under the City of Flint Income Tax Ordinance, no deductions are allowed for personal expenses such as taxes on your home, charitable deductions and medical expenses.
- 17) The only deductions or exclusions are:
- (A) Employee Business Expenses. Attach Federal Form 2106. These expenses are allowed only to the extent not paid by your employer and are limited to the following.
 - 1. Expenses of travel, meals and lodging while away from home.
 - 2. Expenses as an outside salesman, who works away from his employer's place of business (does not include driver-salesmen whose primary duty is service and delivery).
 - 3. Expenses of transportation (but not transportation to and from work)
 - 4. Expenses reimbursed under an expense account or other arrangement with your employer, if the reimbursement has been included in gross earnings reported. Enter total Employee Business expenses on line 6, Schedule A.
 - (B) Self-employment Retirement Deduction in accordance with section 404 of Federal Internal Revenue Code. Enter on line 9, Schedule A.
 - (C) Individual Retirement Account (attach Form 5498, issued by your financial institution). Enter on line 8, Schedule A.
 - (D) Moving Expenses (into city only), attach form 3903. Enter on line 7, Schedule A.
 - (E) Alimony, separate maintenance payments and principle sums payable in installments. Child support payments are NOT deductible. Enter on line 9, Schedule A.
 - (F) Renaissance Zone Deduction - 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, or 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 a copy of the Approval letter issued by the assessment division 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 Flint taxes or have failed to file any state or local tax return. A Flint tax return must be filed to qualify and claim this deduction. Enter deductible amount on line 10, Schedule A.

IMPORTANT: The above deductions (A thru E) are limited to the amount taken on your federal returns and by the extent they apply to income taxable under the Flint Income Tax Ordinance. Any of the above deductions taken must be entered on Schedule A, page 2 of the return. A copy of the federal schedule(s) supporting such deductions MUST be attached.

COMPUTATION OF TAX

- 18) On page 1, add lines 2, 3, and 4, enter total on line 5, subtract exemptions on line 6 and enter net taxable income on line 7. Multiply this by 1% to determine the City of Flint tax, and enter tax on line 8.
- 19) If filer is a part-year resident, compute the tax through line 8 as though you were a resident for the full year. To claim credit for period of nonresidency, multiply the tax amount computed on line 8 by the percentage (%) opposite the number of months you lived OUTSIDE the City of Flint in:
- (1) Table A, Schedule B, page 2 if your work was performed inside Flint or,
 - (2) Table B, Schedule B, page 2 if your work was performed outside Flint. Enter this amount on line 9C, page 1. Report dates you lived inside Flint on line 9C, page 1 of return.
- 20) Filer assumes full liability for errors in computation of tax. Penalty and interest shall be applied per Public Act 284 of the Michigan Compiled Law for failure to pay the full amount of tax by April 30, 2001. If the total interest or interest and penalty to be assessed is less than \$2.00, a minimum charge of \$2.00 shall be assessed
- 21) Computation errors will result in a delay in the issuance of refund checks.

PAYMENTS AND CREDIT

- 22) On line 9a, page 1, enter the amount of Flint tax withheld as shown on your FW-2 or W-2 statements. The city copy of your FW-2 or W-2 showing clearly the amount of Flint tax withheld must be submitted with your return before credit can be allowed for the Flint tax withheld.
- 23) On line 9b, page 1, enter the amount of any payments you made on your 2000 City of Flint Declaration of Estimated Tax (form F-1040-ES). Also, enter 2000 credit taken from your 1999 Flint income tax return.
- 24) On line 9c, page 1, enter a credit if you are a Flint resident subject to a municipal income tax in another city. You may claim a credit for the amount paid such other municipality. Enter the amount of any city income tax paid because of employment in any other city with a municipal income tax, but not to exceed the amount of tax you would have owed Flint on the same income as a non-resident (1/2%). If amount withheld in another city exceeds the amount of your tax, the excess must be obtained by filing a return and requesting a refund from the other city. Such excess cannot be claimed as a credit on your Flint return. This credit also must apply to the same tax year for which the return is being filed and must be supported by a copy of the return filed with the other city.

TAX DUE OR REFUND

- 25) Amount you owe - Enter on line I 1, page 1. After computing your Flint Income tax and deducting your credits, if the balance due is one dollar (\$1.00) or more, it must be paid when filing this return. Tax due of less than one dollar (\$1.00) need not be paid. However, the

income tax return must be filed. Make check or money order payable to the "Treasurer, City of Flint" and mail with this return to: Treasurer, City of Flint, Income Tax Office, P.O. Box 99, Flint, Michigan 48501.

- 26) Amount due you - Enter on line 12, page 1. If your payment and credits exceed the tax, show the amount of such over-payment on line 12 and check the proper box on line 13 to indicate whether you wish the overpayment as a refund or as a credit on your 2001 estimated tax, and mail

to: Treasurer, City of Flint, Income Tax Office, P.O. Box 1800, Flint, Michigan 48501 (refund returns mailed to the wrong address will be delayed). 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. Over-payments of less than one dollar (\$1.00) will not be applied as a credit on the next year's tax.

DECLARATION OF ESTIMATED TAX

- 27) You must make estimated income tax payments if you expect to owe more than \$100 when you **file** your 2001 annual return. This is after crediting amounts you paid through withholding and all other credits. Estimated payments are due April 30, June 30, September 30, and January 31. Interest and penalty will be assessed for failure to comply with this provision. Exception: If you owe more than \$100 you may not have to make estimated payments if you expect your 2001 withholding and credits to be at least 70 percent of your total 2001 or 2000 tax (line 8). If you **filed** estimates for 2000 the City of Flint will send you personalized forms for 2001. Otherwise, request Form F-1040-ES.

AMENDED RETURNS

- 28) Amended returns should be filed on regular City of Flint income tax return clearly labeled as amended and the tax year applicable. Computations should show corrected amounts and include adjustments for payments made or refunds received on original return. Explanation must be included for amended returns.

TAXPAYER'S RIGHT OF APPEAL

- 29) In accordance with Section 92, City of Flint Income Tax Ordinance, "a taxpayer or employer may file a written notice of appeal with the secretary of the income tax board of review within 30 days after receipt of a **final** assessment, denial in whole or in part of a claim for refund, or special ruling of the administrator." The board of review shall grant the appellant a hearing and render a decision based on evidence presented by both the city and the appellant.

EXTENSIONS

- 30) You may request more time to **file** your return by sending payment of your estimated annual liability to the City of Flint with a written request for an extension (up to six months) on or before the due date of your return. An extension of time to file is not an extension of time to pay. If you underestimate your tax due and do not pay enough with your extension request, you must pay interest and penalty on the unpaid amount. Do not request an extension if you will be claiming a refund.

ASSISTANCE

- 31) If you have any questions not answered in this instruction sheet, or if you need assistance in preparing your return, **call (810) 766-7015** or visit the Income Tax Office. Questions by mail should be directed to:

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

Flint, Michigan 48502