2013 Insurance Company Annual Return for Michigan Business and Retaliatory Taxes

Issued under authority of Public Act 36 of 2007.

☐ **Check if this is an amended return.**
Attach supporting documents.

1. Company Name				2. Federal Employer Identification Number (FEIN) or TR Number
Address (Number, Street)			☐ Check if new address. (See instructions)	3. ☐ Check if Foreign Insurer
City	State	ZIP/Postal Code	Country Code	4. State of Incorporation (use 2 letter abbreviation)

GROSS DIRECT PREMIUMS WRITTEN IN MICHIGAN

5.	Gross direct premiums written in Michigan			5.	00
6.	Premiums on policies not taken	6.	00		
7.	Returned premiums on canceled policies	7.	00		
8.	Receipts on sales of annuities	8.	00		
9.	Receipts on reinsurance assumed	9.	00		
10.	Add lines 6 through 9			10.	00
11.	**Direct Premiums Written in Michigan.** Subtract line 10 from line 5. If less than zero, enter zero			11.	00

DISABILITY INSURANCE EXEMPTION

12.	Disability insurance premiums written in Michigan, not including credit or disability income insurance, OR $190,000,000, whichever is less			12.	00
13.	Gross direct premiums from all lines of insurance carrier services received everywhere	13.	00		
14.	Phase out	14.	280,000,000 00		
15.	Subtract line 14 from line 13. If less than zero, enter zero	15.	00		
16.	Exemption reduction. Multiply line 15 by 2			16.	00
17.	Subtract line 16 from line 12. If less than zero, enter zero			17.	00
18.	Adjusted Tax Base. Subtract line 17 from line 11			18.	00
19.	**Michigan Business Tax Before Credits.** Multiply line 18 by 1.25% (0.0125)			19.	00

CREDITS

20.	Enter amounts paid from 1/1/2012 to 12/31/2012 to each of the following				
	a. Michigan Workers' Compensation Placement Facility	20a.	00		
	b. Michigan Basic Property Insurance Association	20b.	00		
	c. Michigan Automobile Insurance Placement Facility	20c.	00		
	d. Property and Casualty Guaranty Association	20d.	00		
	e. Michigan Life and Health Insurance Guaranty Association	20e.	00		
21.	Add lines 20a through 20e			21.	00
22.	a. Michigan Examination Fees	22a.	00		
	b. Credit. Multiply line 22a by 50% (0.50)			22b.	00
23.	**Tax Before Miscellaneous Nonrefundable Credits.** Subtract lines 21 and 22b from line 19			23.	00
24.	Miscellaneous Nonrefundable Credits from Form 4596, line 28			24.	00
25.	**Michigan Business Tax After Nonrefundable Credits.** Subtract line 24 from line 23. If less than zero, enter zero			25.	00
26.	Recapture of Certain Business Tax Credits and Deductions from Form 4587, line 13			26.	00
27.	**Total Michigan Business Tax.** Add lines 25 and 26			27.	00
28.	Corporate Income Tax Adjustment from Form 4974, line 20			28.	00
29.	**Tax Liability.** Add lines 27 and 28			29.	00

Return is due March 1, 2014.

WITHOUT PAYMENT: Mail return to:
Michigan Department of Treasury
PO Box 30783
Lansing MI 48909

WITH PAYMENT: Pay amount on line 58 and mail check and return to:
Michigan Department of Treasury
PO Box 30113
Lansing MI 48909

Make check payable to "State of Michigan." Print taxpayer's FEIN or TR Number, the tax year, and "MBT" on the front of the check. Do not staple the check to the return.

✚ 0000 2013 83 01 27 9

Continue and sign on Page 2

FEIN or TR Number

Foreign and alien insurers complete lines 30 through 46. Domestic insurers, go to line 47.

TAXES

		A — State of Incorporation	B — Michigan
30. State of incorporation tax	30.		X X X X X X X X
31. Tax Liability from line 29	31.	X X X X X X X X	

FEES AND ASSESSMENTS

32. Annual statement filing fee	32.		25
33. Certificate of Authority renewal fee	33.		X X X X X X X X
34. Certificate of Compliance	34.		X X X X X X X X
35. Certificate of Deposit	35.		X X X X X X X X
36. Certificate of Valuation	36.		X X X X X X X X
37. Enter total of other fees paid in the state of incorporation. Attach a detailed schedule of fees	37.		
38. Fire Marshall Tax	38.		X X X X X X X X
39. Second Injury Fund	39.		
40. Silicosis and Dust Disease Fund	40.		
41. Safety Education and Training Fund	41.		
42. Total of all other assessments. Attach schedule of assessments	42.		

TOTAL

43. Add lines 30 through 42	43.		
44. Accelerated and Certificated Refundable Credits (see instructions)	44.	X X X X X X X X	
45. Total Taxes, Fees and Assessments. Subtract line 44 from line 43	45.		

46. Retaliatory Amount. Subtract line 45, column B, from column A. If less than zero, enter zero	46.		00
47. **Total MBT Tax Liability**. Add lines 29 and 46. Domestic insurers, enter amount from line 29	47.		00

PAYMENTS, REFUNDABLE CREDITS AND TAX DUE

48. Overpayment credited from prior MBT return	48.		00
49. Estimated tax payments	49.		00
50. Flow-Through Withholding payments	50.		00
51. Tax paid with request for extension	51.		00
52. Refundable Credits (see instructions)	52.		00
53. Total Payments. Add lines 48 through 52. (If not amending, then skip to line 55.)	53.		00

54. **AMENDED RETURN ONLY**

a. Payment made with the original return	54a.		00
b. Overpayment received on the original return	54b.		00
c. Add lines 53 and 54a and subtract line 54b from the sum	54c.		00

55. **TAX DUE**. Subtract line 53 (or line 54c, if amending) from line 47. If less than zero, leave blank	55.		00
56. Underpaid estimate penalty and interest from Form 4582, line 38	56.		00
57. Annual return penalty (a) % = (b) 00 plus interest of (c) 00. Total	57d.		00
58. **PAYMENT DUE.** If line 55 is blank, go to line 59. Otherwise add lines 55, 56 and 57d	58.		00

OVERPAYMENT, REFUND OR CREDIT FORWARD

59. Overpayment. Subtract lines 47, 56 and 57d from line 53 (or line 54c, if amending). If less than zero, leave blank (see instructions)	59.		00
60. **CREDIT FORWARD.** Amount on line 59 to be credited forward and used as an estimate for next MBT tax year	60.		00
61. **REFUND.** Amount on line 59 to be refunded	61.		00

Taxpayer Certification. *I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.*

☐ By checking this box, I authorize Treasury to discuss my return with my preparer.

Authorized Signature for Tax Matters

Authorized Signer's Name (print or type) | Date

Title | Telephone Number

Preparer Certification. *I declare under penalty of perjury that this return is based on all information of which I have any knowledge.*

Preparer's PTIN, FEIN or SSN

Preparer's Business Name (print or type)

Preparer's Business Address and Telephone Number (print or type)

✚ 0000 2013 83 02 27 7

Instructions for Form 4588
Insurance Company Annual Return for Michigan Business and Retaliatory Taxes

Purpose

To calculate the tax liability and to claim credits for insurance companies for both Michigan Business and Retaliatory Taxes.

NOTE: Beginning January 1, 2012, only those taxpayers with a certificated credit, which is awarded but not yet fully claimed or utilized, may elect to be MBT taxpayers. If a taxpayer files an MBT return and claims a certificated credit, the taxpayer makes the election to file and pay under the MBT until the certificated credit and any carryforward of that credit are exhausted.

General Instructions

MBT Liability: Beginning January 1, 2012, a taxpayer calculates MBT liability as the greater of MBT liability after all credits, deductions, and exemptions or hypothetical CIT liability minus deductions and credits available under that act and minus certificated credits allowed under the MBT. This calculation of liability requires a taxpayer to calculate the premiums tax base and apply available MBT credits, including certificated credits, deductions, and exemptions available under the MBT. Then, the taxpayer will calculate the CIT comparison on the *Schedule of Corporate Income Tax Liability for an Insurance Filer* (Form 4974). A taxpayer is permitted to reduce hypothetical CIT liability by all deductions and credits which would be allowed under that tax as well as the amount of certificated credit allowed under the MBT. The amount of certificated credit allowed under the MBT is the amount of nonrefundable credit needed to offset MBT liability or the entire amount of a refundable credit.

If the taxpayer's hypothetical CIT liability would be higher than its MBT liability, the taxpayer will add the difference to MBT liability on line 28 of this form (4588). This is the CIT adjustment. If the result of both steps of the calculation is a negative number, the taxpayer will receive a refund of the lower negative; but a nonrefundable credit cannot be used to reduce liability below zero. Remaining nonrefundable certificated credit may be carried forward to succeeding tax years.

Amended Returns: To amend a current or prior year annual return, complete the Form 4588 that is applicable for that year, check the box in the upper-right corner of the return, and attach a separate sheet explaining the reason for the changes. Include an amended federal return or a signed and dated Internal Revenue Service (IRS) audit document. Include all schedules filed with the original return, even if not amending that schedule. Enter the figures on the amended return as they should be. Do not include a copy of the original return with your amended return. A taxpayer may not amend to revoke the election to remain taxable under the MBT. Once the taxpayer makes a valid election to claim a certificated credit, the taxpayer must remain in the MBT until the credit and any carryforward of that credit are exhausted.

Line-by-Line Instructions

Lines not listed are explained on the form.

Do not enter data in boxes filled with Xs.

Line 1: Enter the complete address and, if other than the United States, enter the two-digit abbreviation for the country code. See the list of country codes in the *Michigan Business Tax (MBT) Forms and Instructions for Insurance Companies* (Form 4592).

Correspondence about and any refund from this return will be sent to the address used here. Check the new address box if the address used on this line has changed from last filing. The taxpayer's primary address in Department of Treasury (Treasury) files, identified as the legal address and used for all purposes other than refund and correspondence on a specific MBT return, will not change unless the taxpayer files a *Notice of Change or Discontinuance* (Form 163). **Exception:** If mail sent to the legal address has been returned to Treasury by the United States Postal Service, Treasury will update the taxpayer's legal address with the address used on this line in the most recent MBT return.

Line 2: Use the taxpayer's Federal Employer Identification Number (FEIN) or the Michigan Treasury (TR) assigned number. Be sure to use the same account number on all forms.

If the taxpayer does not have an FEIN or TR number, the taxpayer **MUST** register before filing this form. They are encouraged to register online at **www.michigan.gov/businesstaxes**. The Web site provides information on obtaining an FEIN, which is required to submit taxes through e-file. Taxpayers usually can obtain an FEIN from the IRS within 48 hours. Taxpayers registering with the State online usually receive an account number within seven days.

Returns received without a registered account number will not be processed until such time as a number is provided.

Line 3: Check this box if the company is a foreign insurer. Alien insurers are considered foreign insurers, unless their port of entry is Michigan, in which case the company is considered domestic for the filing of this return.

Line 4: Alien insurers, enter the two-letter postal code for the U.S. state that is your port of entry.

Line 5: Enter all gross direct premiums written on property or risk located or residing in Michigan.

Line 6: Enter premiums on policies not taken to the extent these premiums were included in line 5.

Line 7: Enter returned premiums on canceled policies to the extent these premiums were included in line 5.

Line 8: Enter receipts on sales of annuities to the extent these receipts were included in line 5.

Line 9: Enter receipts on reinsurance premiums assumed to the extent these receipts were included in line 5, and only if tax was paid on the original premiums.

Line 12: *Disability insurance* is insurance of any person against bodily injury or death by accident, or against disability on account of sickness or accident including also the granting of specific hospital benefits and medical, surgical and sick-care benefits to any person, family, or group, subject to such

limitations as may be prescribed with respect thereto. The exclusion for disability insurance premiums does not include credit insurance or disability income insurance premiums.

CREDITS

Line 20: Enter the amounts paid to the listed facilities or associations from January 1, 2012, to December 31, 2012, the year immediately preceding the 2013 tax year, including special assessments. Net the amounts paid and refunds received during the 2011 tax year for the same facility or association. If refunds received exceed the amount paid in the year for the same facility or association, enter zero.

Line 22a: Enter the amount of Michigan Examination Fees paid in 2013 (under Michigan Compiled Law 500.224).

Line 24: Enter the Miscellaneous Nonrefundable Credits from *Michigan Business Tax Miscellaneous Credits for Insurance Companies* (Form 4596), line 28.

Retaliatory Instructions

For foreign and alien insurers only; domestic insurers skip lines 30 through 46.

Do not mail this return with the Michigan Annual Financial Statement, and do not send the annual statement filing fee with this return. The taxpayer will be billed separately for the annual statement filing fee by the Michigan Insurance Bureau.

Foreign insurers must pay to Michigan the same type of obligation a similar Michigan insurer is required to pay in the company's state of domicile. Enter all items that are required of a Michigan insurance company. Some taxes and obligations imposed in other states may have no corresponding requirement in Michigan; however, this does not relieve the foreign insurer from the obligation of computing and paying the tax.

Do not include the following Michigan assessments, or comparable assessments in the company's state of incorporation, in the retaliatory calculation:

- Michigan Workers' Compensation Placement Facility
- Michigan Basic Property Insurance Association
- Michigan Automobile Insurance Placement Facility
- Property and Casualty Guaranty Association
- Michigan Life and Health Insurance Guaranty Association
- Catastrophic Claims Association
- Assessment under Health Insurance Claims Assessment Act (HICAA).

California insurers must include Bureau of Fraudulent Claims assessments. New York domiciled companies must file and pay a tentative retaliatory tax to Michigan by the annual due date, March 1, 2013. An amended Form 4588 must be filed after the actual CT33 is filed with New York. Transfer the CT33 numbers onto the amended Form 4588 and attach a copy of the CT33 to substantiate the taxpayer's claim.

Line 30: Enter the tax a Michigan company would pay in the state of incorporation for the company's Michigan business. Attach a copy of the state's tax form on which Michigan premiums were reported.

Lines 32 through 42: In column A, "State of Incorporation," enter the payments that would have been payable by a similar Michigan company doing business in the company's home state. In column B, "Michigan," enter actual payments made to Michigan.

Lines 38 through 42: Attach proof of payment for any items listed in the "Michigan" column. Itemize any other assessments not listed. Attach a separate list if necessary.

Line 44: Enter the sum of accelerated and certificated refundable credits:

- **Accelerated credits:** The amount from the *Request for Accelerated Payment for the Brownfield Redevelopment Credit and the Historic Preservation Credit* (Form 4889), line 10. (If the taxpayer has filed more than one Form 4889 during the tax year, enter here the combined total of credits claimed on all Forms 4889, line 10);
- **Certificated Refundable credits:** The sum of the amounts reported on Form 4596, lines 2, 3, and 4.

Line 46: Subtract line 45, column B, from line 45, column A. If less than zero, enter zero. If line 45, column B, is a negative number, add column A to the negative number in column B. This will increase the retaliatory amount reported.

PAYMENTS, REFUNDABLE CREDITS, AND TAX DUE

Line 49: Enter the total tax paid with the quarterly estimated tax returns.

Line 50: Enter the total withholding payments made on your behalf by flow-through entities (FTEs). Include all withholding payments made on returns that apply to the tax year included in this return. Included on this line would be Flow-Through Withholding (FTW) payments made by flow-through entities whose tax years ended with or within the tax year included in this return. For example, consider an FTE partnership with a June 30 year end and a taxpayer that has a March 31 year end and is an owner of the FTE. The FTE will make quarterly FTW payments in April 2014 (for its quarter ending March 31) and July 2014 (for its quarter ending June 30), and will file an annual FTW reconciliation return (Form 4918) for its year ending June 30, 2014. Because the FTE's tax year ends within the taxpayer's 2014-15 fiscal year, all the FTW payments for that taxpayer are attributable to the taxpayer's 2014-15 fiscal year, regardless of the dates of the quarterly payments.

If an amount is entered on this line, complete the *MBT Schedule of Flow-Through Withholding* (Form 4966) to account for the Flow-Through Withholding payments received. The amount entered on this line must equal the sum of the combined amount from Form 4966, column E.

Line 51: Enter any tentative payment of estimated tax made with a request for an extension of time to file the return.

Line 52: If claiming a credit, enter the amount from Form 4596, line 5.

Amended Returns Only:

Line 54a: Enter payment made with the original return.

Line 54b: Enter overpayment received (refund received plus credit forward created) on the original return.

Line 54c: Add lines 53 and 54a and subtract line 54b from the sum.

Line 56: If penalty and interest are owed for not filing estimated returns or for underestimating tax, complete the *MBT Penalty and Interest Computation for Underpaid Estimated Tax* (Form 4582) to compute penalty and interest due. If a taxpayer chooses not to file Form 4582, Treasury will compute penalty and interest and bill for payment. (Form 4582 is available on the Web at **www.michigan.gov/taxes**.)

Line 57: Enter the annual return penalty rate in line 57a. Add the overdue tax penalty in line 57b to the overdue tax interest in line 57c. Enter total in line 57d.

Refer to the "Computing Penalty and Interest" section in Form 4592 to determine the annual return penalty rate and use the following Overdue Tax Penalty and Overdue Tax Interest worksheets.

WORKSHEET – OVERDUE TAX PENALTY

A. Tax due from Form 4588, line 55		**00**
B. Late/extension or insufficient payment penalty percentage		**%**
C. Multiply line A by line B		**00**

Carry amount from line C to Form 4588, line 57b.

WORKSHEET – OVERDUE TAX INTEREST

A. Tax due from Form 4588, line 55		**00**
B. Applicable daily interest percentage ..		**%**
C. Number of days return was past due ...		
D. Multiply line B by line C		
E. Multiply line A by line D		**00**

Carry amount from line E to Form 4588, line 57c.

Line 57c: NOTE: If the late period spans more than one interest rate period, divide the late period into the number of days in each of the interest rate periods identified under the "Computing Penalty and Interest" section in Form 4592 and apply the calculations in the Overdue Tax Interest worksheet separately to each portion of the late period. Combine these interest subtotals and carry the total to Form 4588, line 57c.

Line 59: If the amount of the overpayment, less any penalty and interest due on lines 56 and 57d, is less than zero, enter the difference (as a positive number) on line 58. If the amount is greater than zero, enter on line 59.

NOTE: If an overpayment exists, a taxpayer must elect a refund of all or a portion of the amount and/or designate all or a portion of the overpayment to be used as an estimate for the next MBT tax year. Complete lines 60 and 61 as applicable.

Line 60: If the taxpayer anticipates an MBT liability in the filing period subsequent to this return, some or all of any overpayment from line 59 may be credited forward to the next tax year as an estimated payment. Enter the desired amount to use as an estimate for the next MBT tax year.

Reminder: Taxpayers must sign and date returns. Tax preparers must provide a Preparer Taxpayer Identification Number (PTIN), FEIN or Social Security number (SSN), a business name, and a business address and phone number.

Other Supporting Forms and Schedules

The following forms and their requested attachments should be included as part of this return, as applicable:

- *Michigan Historic Preservation Tax Credit* (Form 3581)
- *MBT Single Business Tax (SBT) Credit Carryforwards* (Form 4569)
- *MBT Penalty and Interest Computation for Underpaid Estimated Tax* (Form 4582)
- *MBT Election of Refund or Carryforward Credits* (Form 4584)
- *MBT Schedule of Recapture of Certain Business Tax Credits and Deductions* (Form 4587)
- *MBT Renaissance Zone Credit Schedule* (Form 4595)
- *MBT Miscellaneous Credits for Insurance Companies* (Form 4596)
- *MBT Schedule of Flow-through Withholding* (Form 4966)
- Proof of payment for any items listed in the "Michigan" column for lines 39 through 42.