Michigan Department of Treasury
4674 (Rev. 2-15)

Michigan Tax Preparer Handbook for Electronic Filing Programs

2014
Michigan Business Tax E-file

www.MIfastfile.org
www.michigan.gov/taxes

MICHIGAN BUSINESS TAX
E-FILE

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CHAPTER 1
GENERAL INFORMATION

IMPORTANT ADDRESSES AND TELEPHONE NUMBERS

Michigan electronic filing (e-file) publications and forms are available on the Michigan Department of Treasury (Treasury) Web site at *www.MIfastfile.org*. For questions about the e-file program, contact Forms, Documentation and E-file Services (FDES) staff at:

Contact Information for Tax Preparers and Software Developers Only

E-file Coordinator and Forms, Documentation and E-file Services Manager	Darron Birchmeier
Program Area, Testing, File Specifications	Mark Jenkins Melissa Wolff
E-mail	*MIFormsEfile@michigan.gov*
Telephone	(517) 636-4450
Teletypewriter (TTY) Assistance	1-800-649-3777 (TTY only)
Fax	(517) 636-6826
IRS MeF State Acknowledgment Service	1-866-255-0654
Michigan E-file Web Site	*www.MIfastfile.org*
Michigan Treasury Web Sites	*www.michigan.gov/taxes* *www.michigan.gov/treasury*

FDES is unable to provide return status information or address specific taxpayer account issues. Should an error occur on the Michigan return during mainframe processing, Treasury will communicate directly with the taxpayer through the regular error resolution process. Treasury will, however, discuss return situations with the tax preparer if the appropriate authorization box has been completed on the return.

FDES staff is available Monday through Friday, 8 a.m. to 5 p.m. EST, except State holidays. When leaving a message, give as much detail as possible so that staff can research the question(s) and have the answer(s) ready when returning the call. Speak clearly and spell any difficult names.

Treasury does not recommend sending account-specific information over the Internet. Federal and State disclosure laws require that taxpayer privacy and confidential records that are filed with Treasury are protected. Therefore, Treasury will not send account-specific information over the Internet in response to an e-mail inquiry.

E-mail LISTSERV for Tax Preparers

The Treasury Tax Professionals LISTSERV is a free service that disseminates mass e-mail messages within seconds to all subscribers. Sign up to receive electronic communications on Treasury's e-file programs and other information of interest. To subscribe to this service or for additional information, visit *www.MIfastfile.org* and select Tax Preparer.

Self Service Options

Treasury offers a variety of services designed to assist taxpayers, and most are available 24 hours a day, seven days a week.

Self Service – Business Tax (*www.michigan.gov/taxes*)

Click on "Check My Business Tax Info" under the Business heading.

To obtain information about an account using Internet services and to ensure privacy and security, the following information for a return is needed:

- Filer's Federal Employer Identification Number (FEIN) or Michigan Treasury (TR) number
- Gross Receipts or Business Income, Gross Direct Premiums Written in Michigan, or Net Capital for current year
- Return type filed
- Organization type
- Tax year and month.

Access Treasury's Web site to:

- Check if a return has been received
- Check payments
- Verify the status of a refund
- Ask Treasury a question.

Michigan Business One Stop (*www.Michigan.gov/business*)

Visit Michigan Business One Stop for a fast, easy, and secure way to register a business for taxes in the State of Michigan. Michigan Business One Stop allows taxpayers to perform a variety of tasks to start and operate a business, including applying for permits and licenses.

Customer Contact Center

Michigan Business Tax (MBT) taxpayers who do not have Internet service should call Customer Contact staff at (517) 636-4657.

Assistance is available using TTY through the Michigan Relay Service by calling 1-800-649-3777 or 711.

STATE OF MICHIGAN HOLIDAY SCHEDULE

2015 Holiday Schedule

May 25, 2015	Memorial Day
July 3, 2015	Independence Day
September 7, 2015	Labor Day
November 11, 2015	Veterans' Day
November 26 and 27, 2015	Thanksgiving
December 24 and 25, 2015	Christmas
December 31, 2015	New Year's Eve

IRS Publications and Questions

For more information or to request copies of Internal Revenue Service (IRS) publications, visit *www.irs.gov/formspubs* to download forms and publications, or contact the IRS e-help desk at 1-800-829-3676.

CHAPTER 2
MICHIGAN BUSINESS TAX
FED/STATE E-FILE

BENEFITS OF MBT E-FILE

- **Customer Service.** E-filed returns are processed faster than paper returns. Receive electronic proof from both the IRS and Michigan that returns were received.

- **Convenient.** No paper returns to mail. Prepare and transmit MBT returns using software that has been approved by Treasury.

- **Accurate.** E-file returns have significantly less chance of error compared to paper returns. Treasury processes the same data that is entered into the computer. The computer program checks for math errors before the return is accepted.

- **Secure.** Only tax preparers and their clients see the returns. Tax information is encrypted and transmitted directly to the IRS and Michigan.

- **PDF Attachments. Modernized e-File (**MeF) accepts Portable Document Format (PDF) attachments with MBT e-filed returns. (See page 15 for more information.)

- **Amended returns**. Treasury can process amended MBT returns.

INTRODUCTION

Treasury partners with the IRS to provide electronic filing of MBT returns. The Fed/State e-file program continues to work together to provide tax preparers with an efficient method of filing their clients' MBT returns electronically.

Filing of tax returns electronically is accurate, convenient, and secure. The MBT e-file program provides Michigan taxpayers the opportunity to e-file MBT returns that were prepared using a computer software program. If an error occurs on a return, the e-file software sends an error message and allows the tax preparer to immediately correct the mistake before the return is transmitted.

For more information and program updates, visit Treasury's Web site at *www.MIfastfile.org.*

HIGHLIGHTS AND IMPORTANT INFORMATION FOR TAX YEAR 2014

MBT E-file Mandate

Mandate

Michigan has an enforced MBT e-file mandate. Software developers producing MBT tax preparation software and computer-generated forms must support e-file for all eligible Michigan forms that are included in their software package. All eligible MBT returns prepared using tax preparation software or computer-generated forms must be e-filed.

Mandate Enforcement

Treasury will be enforcing the MBT e-file mandate. The enforcement includes not processing computer-generated paper returns that are eligible to be e-filed. A notice will be mailed to the taxpayer, indicating that the taxpayer's return was not filed in the proper form and content and must be e-filed. Payment received with a paper return will be processed and credited to the taxpayer's account even when the return is not processed.

Exclusions from E-file

Treasury recognizes that there are conditions which make a return ineligible for e-file. When the computer-generated MBT return meets one or more of the Treasury-recognized e-file exceptions, the taxpayer must complete and attach *Michigan e-file Exceptions for Business Taxes* (Form 4833) to the front of the return or the paper filing will not be processed. Form 4833 is generated by the software.

Attach Form 4833 to a computer-generated paper return that meets one or more of the Treasury-recognized e-file mandate exceptions.

Treasury-recognized exceptions at the time of this publication include, but are not limited to:

- Taxpayer is filing one or more of the following forms:
  - *Qualified Affordable Housing Seller's Deduction* (Form 4579)
  - *Tribal Agreement Apportionment* (Form 4597)
  - *Tribal Agreement Ownership Schedule* (Form 4598).
- Return was prepared by a tax preparer that has been suspended or denied acceptance to participate in IRS Fed/State MeF program or does not have an Electronic Filing Identification Number (EFIN).
- Return was rejected by Michigan or the IRS and there is no way to correct and resubmit the return electronically, and software does not support State Stand Alone e-file.

- Return was prepared by the taxpayer and because the taxpayer does not have an EFIN and is not using an Online software product, they are unable to e-file.
- Taxpayer's federal return contains a form that is not eligible for e-file and the software does not support State Stand Alone e-file.

The following are also Treasury-recognized exceptions; however, Form 4833 should not be attached to an MBT paper return that meets one or more of the following conditions:

- Taxpayer has an organization type of "Individual" or "Fiduciary."
- Taxpayer does not have an FEIN.
- Return is completed by hand (with pen or pencil).
- Return is completed using forms from Treasury's online Michigan tax instruction booklets.

Additional information will be published on Treasury's Web sites at *www.michigan.gov/taxes* and *www.MIfastfile.org* as it becomes available.

General Program Information

Accounts with a Michigan-issued TR number must use an FEIN for Fed/State e-filing. Information and forms to apply for an FEIN may be obtained at *www.irs.ustreas.gov/businesses* or by calling the IRS at 1-800-829-4933 and registering over the phone.

Registration changes (name, address, phone number, filing date, etc.) must be made by submitting *Notice of Change or Discontinuance* (Form 163) which can be found at *www.michigan.gov/taxes*.

Once the return has been accepted and acknowledged, the taxpayer must e-file an amended MBT return if changes to the original accepted return are necessary.

Due Dates of Annual Returns

Annual returns are due on or before the last day of the fourth month after the end of the tax year. For example, a return for calendar year 2014 is due April 30, 2015. A return for a fiscal year ending October 31, 2014, is due February 28, 2015.

For additional information regarding due dates, see the "Due Dates of Annual Returns" section in the corresponding MBT instruction booklet.

MBT FED/STATE E-FILE PROGRAM
PAYMENT OPTIONS

Michigan will accept MBT e-file returns with a balance due at any time during the e-file processing season.

Electronic Funds Transfer (EFT). Online payments are now available for Automated Clearing House (ACH) debit filers. Information on the EFT process as well as the *Electronic Funds Transfer (EFT) Debit Application* (Form 2248) and *Electronic Funds Transfer (EFT) Credit Application* (Form 2328) are available on Treasury's Web site at *www.michigan.gov/biztaxpayments*. Fax the completed application to (517) 636-4520. Allow four weeks for processing.

Paper Payment Voucher. Taxpayers who choose to mail their payment must include *MBT-V MBT e-file Annual Return Payment Voucher* (Form 4576) with the payment. Copies of federal and State returns or schedules should not be mailed with MBT-V forms.

To ensure payments are correctly applied to the account, only the nine-digit FEIN should appear in the Federal Employer Identification Number box on the MBT-V form. This information must be correct to ensure correct posting of the annual payment.

Preparers must furnish MBT-V forms to taxpayers choosing to mail their payment on a balance due return. Instructions for completing and mailing MBT-V forms are located on the form. (See Appendix for a sample of the MBT-V forms.)

Important! To ensure timely posting of payments, use MBT-V forms only for MBT e-file Annual Return payments. Do not use MBT-V forms to make other payments to the State of Michigan. Do not include MBT-V forms when mailing a paper return and payment.

MBT FED/STATE E-FILE PROGRAM
KEY DATES AND REFERENCE INFORMATION

Michigan MBT Fed/State E-file Calendar

For Tax Periods beginning after January 1, 2014 and before December 24*, 2014:

Electronic Return Acceptance Period	Current tax year and two previous years' returns
Begin Federal and State Software Testing**	November 2, 2014
IRS and Michigan E-file Cutover***	December 2014
Begin Transmitting Returns to the IRS and Michigan Department of Treasury	January 2015

* A taxpayer that has a 52- or 53-week tax year beginning not more than seven days before or after December 31 of any year is considered to have a tax year beginning after December of that tax year.

** State testing for software developers will begin after developers have received acceptance acknowledgments in accordance with IRS guidelines.

*** The IRS will shut down the MeF system in late December for year-end changes and to prepare for the upcoming filing season. In order to acknowledge all outstanding returns, Michigan typically stops retrieving submissions a few days before the IRS shuts down. This shut-down date may change from year to year; refer to the IRS and Michigan Web sites for updates.

State Program Description

Type of e-file Program	Fed/State and State Stand Alone
Direct Deposit	No
EFT	Yes
Balance Due Returns	Yes
Signature Process	Fed/State – Michigan accepts the federal signature method. State Stand Alone – Taxpayer personal identification number (PIN); retain *Michigan e-file Authorization for Business Taxes MI-8879* (Form 4763)

Publications

The following publications describe the Fed/State e-file process:

IRS Publications and Forms – *www.irs.gov*

Publication 3112	*IRS e-file Application and Participation*
Publication 4162	*Modernized e-File Test Package*
Publication 4163	*Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns*
Publication 4164	*Modernized e-File Guide for Software Developers and Transmitters*

Treasury Publications and Forms – *www.MIfastfile.org*

Publication 4674	*Michigan Tax Preparer Handbook for Electronic Filing Programs - MBT*
Form 4576	*MBT-V MBT e-file Annual Return Payment Voucher*
Form 4763	*Michigan e-file Authorization for Business Taxes MI-8879*

MBT FED/STATE MeF PROGRAM

Tax preparers and transmitters accepted into the IRS e-file MeF program may participate in the MBT Fed/State e-file program and e-file MBT returns through the MeF program.

Michigan accepts two kinds of submissions:

(1) Fed/State (linked)
(2) State Stand Alone (unlinked).

How Fed/State E-file Works

Tax preparers and transmitters accepted into the IRS Fed/State MeF Program may submit federal and/or State returns to the IRS. The State submission can be linked to the IRS submission by including the IRS Submission ID of the federal return. If the State submission is linked to an IRS submission (also referred to as Fed/State return), the IRS will check to see if there is an accepted IRS submission under the IRS Submission ID. If there is not an accepted federal return for that tax type, the IRS will deny the State submission and an acknowledgment will be sent to the transmitter. Treasury has no knowledge that the State return was denied (rejected) by the IRS. If there is an accepted federal return under the IRS Submission ID, MeF will perform minimal validation on the State submission. MeF will then pass along to the State what the Electronic Return Originator (ERO)/taxpayer sends in the State submission. After the State data is retrieved, it will be acknowledged and, if accepted, processed by Treasury.

Note: The IRS recommends if a state submission is linked to an IRS submission, to send the IRS submission first, and after it has been accepted, send in the state submission.

How State Stand Alone E-file Works

Tax preparers and transmitters accepted into the IRS e-file program may submit State Stand Alone returns if that filing option is supported by their software. If the ERO does not link the State return to a previously accepted federal return (also referred to as State Stand Alone return), the IRS will perform minimal validation on the State submission. The State data will then be made available for retrieval by Treasury. After the State data is retrieved, it will be acknowledged and, if accepted, processed by Treasury.

Treasury will acknowledge receipt of all returns retrieved from the IRS. The transmitter should receive the Michigan acknowledgment within three business days from the date the return is successfully transmitted to the IRS. The Electronic Transmitter Identification Number (ETIN) must be entered correctly in the software to receive acknowledgments.

Electronic Michigan Data

Treasury will support the following forms, schedules, and binary attachments for MBT Fed/State e-file Program for tax year 2014.

3581	Historic Preservation Tax Credit
4567	Annual Return
4568	Nonrefundable Credits Summary
4569	Single Business Tax (SBT) Credit Carryforwards
4570	Credits for Compensation, Investment, and Research and Development
4571	Common Credits for Small Businesses
4572	Charitable Contribution Credits
4573	Miscellaneous Nonrefundable Credits
4574	Refundable Credits
4575	Loss Adjustment for the Small Business Alternative Credit
4577	Schedule of Shareholders and Officers
4578	Schedule of Partners
4580	Unitary Business Group Combined Filing Schedule for Standard Members
4582	Penalty and Interest Computation for Underpaid Estimated Tax
4583	Simplified Return
4584	Election of Refund or Carryforward of Credits
4585	Investment Tax Credit Recapture From Sale of Assets Acquired Under Single Business Tax
4586	Schedule of Business Activity Protected Under Public Law 86-272
4587	Schedule of Recapture of Certain Business Tax Credits and Deductions
4588	Insurance Company Annual Return for Michigan Business and Retaliatory Taxes
4590	Annual Return for Financial Institutions
4594	Farmland Preservation Tax Credit
4595	Renaissance Zone Credit Schedule
4596	Miscellaneous Credits for Insurance Companies
4752	Unitary Business Group Combined Filing Schedule for Financial Institutions
4946	Schedule of Corporate Income Tax Liability for a Michigan Business Tax Filer
4947	Schedule of Certificated Credits
4966	MBT Schedule of Flow-Through Withholding
4974	Schedule of Corporate Income Tax Liability for a Michigan Business Tax Insurance Filer
4975	Schedule of Corporate Income Tax Liability for a Michigan Business Tax Financial Filer

To avoid posting of duplicate returns, copies of federal and State returns and schedules should not be mailed to Treasury unless requested.

Note: Fiscal year filers are eligible to e-file MBT returns.

Attachments

Treasury will accept PDF attachments with MBT e-filed returns. The following is a list of MBT forms, line references, and filing conditions where attachments are accepted by Michigan. If the return meets any of the conditions described below, the corresponding attachment is required.

Form	Line	Description	Filename
3581	1	Additional Project Codes	HPTCProjectCode.pdf
4573	4	UBG member State return-Pro forma**	MemberStateReturn_xxxxxxxxx.pdf
	7	UBG member State return-Pro forma**	MemberStateReturn_xxxxxxxxx.pdf
	7	Start-Up Business Credit-Michigan Economic Development Corporation (MEDC) Certification Letter*	MEDC.pdf
	11	Next Energy Business Activity Credit-MEDC Certificate*	MEDC.pdf
	43	Biofuel Infrastructure Credit-Michigan Strategic Fund Energy Office Certificate	BiofuelInfrastrcuture.pdf
	46	Individual or Family Development Account Credit-Michigan State Housing and Development Authority (MSHDA) Certificate	MSHDA.pdf
	61	UBG member state return-Pro forma**	MemberStateReturn_xxxxxxxxx.pdf
	66	Film Job Training Credit-Qualified Job Training Expenditure Certificate	FilmJobTraining.pdf
	72	Film Infrastructure Credit-Investment Expenditure Certificate	FilmInfrastructure.pdf
4574	1	Property Tax Bills Paid on Industrial Personal Property	PPTC1.pdf
	3	Property Tax Bills Paid on Telephone Personal Property	PPTC2.pdf
	5	Property Tax Bills Paid on Natural Gas Pipeline Personal Property	PPTC3.pdf

* All MEDC documents should be included in **one** "MEDC.pdf" attachment.
** "xxxxxxxxx" in filename equals the member's FEIN.

Form	Line	Description	Filename
4574	8	Department of Licensing and Regulatory Affairs (LARA) documentation	LARA.pdf
	10	Any UBG member claiming the Next Energy Payroll Credit. Statement identifying the UBG member(s) and providing information requested on the form.	NextEnergyPayroll.pdf
	12	Michigan Economic Growth Authority (MEGA) Employment Tax Credit-MEDC Annual Tax Credit Certificate*	MEDC.pdf
	15	Hybrid Technology Research and Development Credit-MEDC Annual Tax Credit Certificate*	MEDC.pdf
	18	MEGA Photovoltaic Technology Credit-MEDC Annual Tax Credit Certificate*	MEDC.pdf
	20	Film Production Credit, Post-Production Certificate, and *MBT Film Credit Assignment* (Form 4589)	FilmProductionCredit.pdf
4581	--	MBT Schedule of Business Activity for Non-Designated Members of a UBG Protected Under Public Law 86-272	4581.pdf
4584	10, 13	Treasury approval letter received from Assignor	HistoricApprovalLetter.pdf
	34	MEGA Federal Contract Credit-MEDC Certificate*	MEDC.pdf
	44	Brownfield Redevelopment Credit (Assigned)-MBT Brownfield Redevelopment Credit Assignment Certificate	AssignedBrownfield.pdf
	47	Brownfield Redevelopment Credit (Available)-MBT Brownfield Redevelopment Credit Certificate of Completion	AvailableBrownfield.pdf

* All MEDC documents should be included in **one** "MEDC.pdf" attachment.
** "xxxxxxxxx" in filename equals the member's FEIN.

Form	Line	Description	Filename
4584	61	MEGA Plug-In Traction Battery Manufacturing Credit-MEDC Certificate*	MEDC.pdf
	69	Anchor Company Payroll Credit-MEDC Certificate*	MEDC.pdf
	77	Anchor Company Taxable Value Credit-MEDC Certificate*	MEGA.pdf
4587		UBG member recapture statement	MBTSBTRecap.pdf
4588	36	Fees and Assessments: Other fees paid in the state of incorporation. Detailed schedule of fees-Other Fees Schedule	OtherFeesSchedule.pdf
	41	Fees and Assessments: All other assessments. Detailed schedule of assessments-Other Assessments Schedule	OtherAssessmentsSchedule .pdf
	--	Schedule T from Annual Statement	ScheduleT.pdf
	--	Michigan Business Page from Annual Statement	MichiganBusinessPage.pdf
	--	Copy of the state of incorporation tax form on which Michigan premiums were reported	StateIncorporationReturn. pdf
4594	Part II	Agreement Property Tax Statements (Bills)	FarmlandTaxBill.pdf
	30	UBG member State return-Pro forma**	MemberStateReturn_xxxxx xxxx.pdf
	--	A copy of any recorded Farmland Development Rights Agreement(s) (FDRA) not claimed on the previous year's return.	FDRANotClaimedPrev.pdf

* All MEDC documents should be included in **one** "MEDC.pdf" attachment.
** "xxxxxxxxx" in filename equals the member's FEIN.

Form	Line	Description	Filename
4594	--	An official allocation of the tax statement amount between property subject to an FDRA and property not covered by an FDRA.	OfficialAllocation.pdf
	--	A copy of the receipt showing payment of year 2010 or 2011 property taxes	ReceiptPropertyTaxes.pdf
	--	*Business Income Worksheet*	BusinessIncomeWorksheet.pdf
4596	2	MEGA Employment Tax Credit-MEDC Annual Tax Credit Certificate*	MEDC.pdf
	4	MEGA Photovoltaic Technology Credit-MEDC Annual Tax Credit Certificate*	MEDC.pdf
4567	--	Gross Receipts Worksheet-4700	GR-Worksheet.pdf
	--	Business Income Worksheet-4746	BI-Worksheet.pdf
4567 4590	--	UBG member federal return-Pro forma**	MemberFedReturn_xxxxxxxxx.pdf
4567 4588 4590	--	Additional return or schedule information	Addendum.pdf
	--	Amended federal return or IRS audit document	Amended.pdf
4567 4590	--	UBG member financial statements**	MemberFinancialStatement_xxxxxxxxx.pdf
	--	UBG-Worksheet showing removal of data for federal members that are not on the combined MBT	RemovedMemberWorksheet.pdf
	--	UBG-Worksheet showing intra-group eliminations	Intra-groupEliminatons.pdf

* All MEDC documents should be included in **one** "MEDC.pdf" attachment.
** "xxxxxxxxx" in filename equals the member's FEIN.

For returns calculating the Investment Tax Credit (ITC) Recapture amount according to the changes resulting from Public Act 282 of 2014, use the "Addendum.pdf" attachment when including 4570 worksheets 1a, 1b, 1c, and 2.

If the MBT return includes supporting documentation or attachments that are not on the approved list of attachments for e-file, the return can still be e-filed with the additional attachments. Follow software instructions for including additional attachments. The tax preparer/taxpayer should retain copies of all documentation or attachments in their files.

Federal Forms

A copy of the federal return or schedule should be included in the State submission. The federal return or schedule information can be in Extensible Markup Language (XML) or PDF format. Information from the following federal forms should be included when e-filing the MBT return.

An MBT filer that is part of a federal consolidated return, but is not included on an MBT combined return (i.e., files MBT separately) should include a federal pro forma or schedule with the MBT e-filed return.

Corporations: U.S. Form *1120* (pages 1 through 4) or U.S. Form *1120-A* (pages 1 and 2), *Schedule D,* Form *851,* Form *4562,* and Form *4797*. If filing as part of a consolidated federal return, attach a pro forma or consolidated schedule.

S Corporations: U.S. Form *1120-S* (pages 1 through 4)*, *Schedule D,* Form *851,* Form *4562,* Form *4797,* and Form *8825*.

Partnerships: U.S. Form *1065* (pages 1 through 4)*, *Schedule D,* U.S. Form *4797,* and U.S. Form *8825.*

Limited Liability Companies: Attach appropriate schedules shown above based on federal return filed.

Individuals: U.S. Form *1040* (pages 1 and 2), Schedules *C, C-EZ, D, E,* and Form *4797* (only when a member of a UBG).

Fiduciaries: U.S. Form *1041* (pages 1 through 4), Schedule *D,* and Form *4797* (only when a member of a UBG).

Unitary Business Groups: When e-filing a combined return and the MBT return membership is identical to the federal consolidated return membership; the federal return should be included in the federal folder of the e-file transmission or as a PDF. If credit calculations require any member to prepare a pro forma (as if filing separately) federal return, attach a copy of the pro forma return or schedule as a PDF.

When e-filing a combined return with MBT return members that file more than one federal return, attach the pages and schedules of each member's federal return (as described above for different entity types) and other attachments as PDFs. The designated members' federal data for U.S. Forms *1120* and *1065* filers can be in XML or PDF format.

***Do not send copies of K-1s. Treasury will request them if necessary.**
See *Unitary Business Group Combined Filing Schedule* (Form 4580) for more information on federal return attachments.

Non-electronic Portion

When the following forms are included in a filing, the MBT return can be e-filed, but the forms listed below must be mailed.

- *Application for Extension of Time to File Michigan Tax Returns* (Form 4)
- *Michigan Business Tax Film Credit Assignment* (Form 4589).

Signing an Electronic Return

A return filed through the IRS MeF program is a composite of electronically transmitted data. As with any tax return submitted to Treasury on paper, an electronic tax return must be signed by an authorized tax return signer, the ERO (if applicable), and the paid tax preparer (if applicable).

The MBT Fed/State e-file signature process is as follows:

Fed/State Returns: Michigan will accept the federal signature method. Michigan does not require any additional signature documentation.

State Stand Alone Returns: State Stand Alone returns must be signed using Form 4763.

Returns are signed by entering the taxpayer PIN in the software after reading the perjury statement displayed in the software. The taxpayer PIN will be selected by the taxpayer, or the taxpayer may authorize their tax preparer to select the taxpayer PIN.

Form 4763 will be printed and contain the taxpayer PIN. The tax preparer will **retain** Form 4763 in their records as part of the taxpayer's printed return.

MBT State Stand Alone e-filings submitted without a taxpayer PIN will be rejected by Treasury. Do **not** mail Form 4763 to Treasury and do **not** include Form 4763 as an attachment with the e-file return.

APPLICATION AND ACCEPTANCE PROCESS

E-filing of Michigan MBT returns is available to all e-filers who have been accepted into the IRS Fed/State MeF program and who transmit returns to the IRS.

To participate, applicants must first apply to the IRS and be accepted. Individuals must register with IRS e-Services and create a new (or revised) IRS e-file application. Individuals should contact e-Help toll-free at 1-866-255-0654 for assistance with the IRS e-file application or if unable to register for e-Services.

Upon receipt of completed U.S. Form *8633*, the IRS Service Center assigns an EFIN and, if applicable, an ETIN to the applicant.

Failure to apply will preclude participation in the program.

Once accepted into the IRS e-file program, participation in Michigan's e-file program is automatic. Treasury will use the EFIN assigned by the IRS. Michigan does not assign any additional identification numbers.

TRANSMITTING THE MBT FED/STATE RETURN ELECTRONICALLY

The ERO, tax preparer, and/or electronic transmitter must follow all electronic transmitting procedures, communication requirements, and technical specifications required by the IRS and Treasury for participation in the MBT and IRS MeF programs.

Where to Transmit Fed/State and State Stand Alone Returns

Participants must confirm with their software developers that the software has been accepted for transmitting returns through the IRS Fed/State MeF program. Participants should also confirm that the Michigan e-file portion of the software program is operational before transmitting returns.

The IRS and Michigan electronically acknowledge receipt of all return submissions.

MBT ACKNOWLEDGMENTS AND BUSINESS RULES (REJECTION CODES)

Acknowledgment of Michigan Electronic Returns

The Michigan acknowledgment informs transmitters that the Michigan return data has been received. The Michigan acknowledgment is separate from the federal acknowledgment.

Do not assume that an acknowledgment from the IRS is a guarantee of receipt by Michigan.

Treasury will generate an acknowledgment for all returns received. The acknowledgment for the State return will be available to the transmitter **within three business days** of successful transmission to the IRS. Transmitters who transmit for EROs and tax preparers must notify taxpayers of the Michigan acknowledgment at the time of receipt.

Treasury will perform certain checks on the return during the acceptance process. **All returns, whether e-filed or paper-filed, are subject to Michigan audit, and can be delayed regardless of the acknowledgment code given.**

Acceptance Status:

Accepted - Electronic return was **accepted** and will be reviewed and processed.

Rejected - Electronic return was **rejected.** Rejections other than duplicates can be corrected and re-transmitted.

The **MBT e-file Business Rules (rejection codes) document** is posted on the Electronic Filing Programs for MBT and CIT Web page under "Other Helpful Information."

RESPONSIBILITIES OF TRANSMITTERS AND EROs

Electronic filers, transmitters, and EROs must abide by the terms set forth in the Michigan and IRS guidelines, and must maintain a high degree of integrity, compliance, and accuracy to continue to participate in the MBT and IRS MeF programs.

ERO or Tax Preparer

An ERO is the person or firm who constructs the return information for the taxpayer for the purpose of electronically filing a tax return. Michigan requires that participants first be accepted into the IRS MeF program to participate in the State program.

Preparers have been entrusted with the task of filing a client's tax return and must assume the responsibility of ensuring the return arrives at Treasury. In the event that the e-filed State return fails to arrive or is rejected and cannot be retransmitted, tax preparers must notify their clients to file a paper return.

Transmitter

A transmitter is the business or individual who electronically sends the file of return data to Treasury. In most cases, the software developer will be the transmitter.

The date the electronic return is posted and acknowledged by Treasury constitutes the receipt date of the return. Any return **not** acknowledged by Treasury as "accepted" is not considered filed. Michigan does not have a perfection period. A return is considered timely if it is received and accepted by the due date.

Program Compliance

All electronic filers must comply with the IRS requirements and specifications, and State requirements as set forth in Michigan *Publications 4674* and *4672*.

If, after acceptance, a transmitter/software developer has production problems, Treasury reserves the right to suspend that transmitter/software developer until the problems are resolved to Treasury's satisfaction.

Safeguarding the E-file Program From Abuse and Fraud

All authorized e-file providers must be diligent in recognizing and preventing fraud and abuse in the e-file program. Providers with problems involving fraud and abuse may be suspended or expelled from participation in the State's e-file program, be assessed civil and preparer penalties, or be subject to legal action. Refer to IRS *Publication 4557 Safeguarding Taxpayer Data, A Guide for Your Business*, and *Publication 4600 Safeguarding Taxpayer Information.*

Changes on the Return

After an electronic return is acknowledged as accepted, it cannot be recalled, intercepted, or changed in any manner. If either the ERO or taxpayer wishes to change any entries on an accepted electronic return, an amended return must be filed.