

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

# 2008 MICHIGAN Business Tax Simplified Return

Issued under authority of Public Act 36 of 2007. You may not use this form if you have a business loss or need to carry business loss forward. You must use Form 4567.

**This form cannot be used for fiscal filers with tax years ending in 2008.**

**This form may be used instead of the standard Form 4567, Michigan Business Tax Annual Return, if all of the following conditions apply:**

- Gross receipts do not exceed \$19,000,000.
- Adjusted business income does not exceed \$1,300,000.
- Filer is not apportioning business activity.
- Filer is not a member of a Unitary Business Group filing a combined return.
- Filer is not required to recapture credits or deductions.
- No partner has distributive income of more than \$160,000. Attach Form 4578.
- No individual, shareholder or officer has allocated income of more than \$160,000. Attach Form 4577 (*does not apply to individuals and fiduciaries filing as individuals*).

1. Return is for calendar year 2008 or for tax year beginning:				(MM-DD-YYYY)	and ending:		(MM-DD-YYYY)
2. Name (print or type)				7. Federal Employer Identification Number (FEIN) or TR Number			
Doing Business As (DBA)				8. Organization Type			
Street Address				<input type="checkbox"/> Individual <input type="checkbox"/> C Corporation / LLC C Corporation <input type="checkbox"/> Fiduciary <input type="checkbox"/> S Corporation / LLC S Corporation <input type="checkbox"/> Partnership / LLC Partnership			
City	State	ZIP Code	Country Code				
3. Principal Business Activity			4. Business Start Date				
5. NAICS (North American Industry Classification System) Code			6. If Discontinued, Effective Date				

## PART 1: CALCULATION OF TAX

9. Gross Receipts (see instructions).....	9.		00
10. Business Income .....	10.		00
11. Capital loss and/or carryover or carryback of federal net operating loss (cannot be a negative number) .....	11.		00
12. Compensation and director fees of active shareholders from Form 4577, line 3 .....	12.		00
13. Compensation and director fees of officers from Form 4577, line 4.....	13.		00
14. <b>Adjusted Business Income.</b> Add lines 10 through 13. If less than zero, enter zero on line 15 .....	14.		00
15. <b>Tax Before All Other Credits.</b> Multiply line 14 by 1.8% (0.018).....	15.		00
16. Threshold Ceiling.....	16.	700,000	00
17. Gross Receipts from line 9 (see instructions).....	17.		00
18. Excess Gross Receipts. Subtract line 17 from line 16. If less than zero, enter zero and carry to line 20 .....	18.		00
19. Gross Receipts Filing Threshold Credit Percentage. Divide line 18 by 350,000 .....	19.		%
20. <b>Gross Receipts Filing Threshold Credit.</b> Multiply line 15 by line 19.....	20.		00
21. <b>Tax After Gross Receipts Filing Threshold Credit.</b> Subtract line 20 from line 15.....	21.		00

**PART 2: PAYMENTS AND REFUNDABLE CREDITS**

	22. Overpayment credited from prior return (SBT or MBT) .....	22.		00
	23. Estimated tax payments .....	23.		00
	24. Tax paid with request for extension .....	24.		00
	25. Refundable credits from Form 4574, line 23 .....	25.		00
	26. Total. Add lines 22 through 25. (Then, if not amending, skip to line 28.) .....	26.		00
<b>AMENDED RETURN ONLY</b>	27a. a. Payment made with the original return .....	27a.		00
	27b. b. Overpayment received on the original return .....	27b.		00
	27c. c. Add lines 26 and 27a and subtract line 27b from the sum.....	27c.		00

**PART 3: TAX DUE/OVERPAYMENT**

	28. <b>TAX DUE.</b> Subtract line 26 (or line 27c, if amending) from line 21. If less than zero, leave blank .....	28.		00
	29. Underpaid estimate penalty and interest from Form 4582, line 38.....	29.		00
	30. Annual return penalty <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> % = <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> 00 plus interest of <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> 00. Enter total .....	30.		00
	31. <b>PAYMENT DUE.</b> If line 28 is blank, go to line 32. Otherwise, add lines 28 through 30 and enter here .....	31.		00
	32. Overpayment. Subtract line 21, 29 and 30 from line 26 (or line 27c, if amending). If less than zero, leave blank. (See instructions.) .....	32.		00
	33. <b>CREDIT FORWARD.</b> Amount of overpayment on line 32 to be credited forward .....	33.		00
	34. <b>REFUND.</b> Amount of overpayment on line 32 to be refunded.....	34.		00

<b>Taxpayer Certification.</b> I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.		<b>Preparer Certification.</b> I declare under penalty of perjury that this return is based on all information of which I have any knowledge.	
<input type="checkbox"/> By checking this box, I authorize Treasury to discuss my return with my preparer.		Preparer's PTIN, FEIN or SSN <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	
Taxpayer Signature		Preparer's Business Name (print or type) <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	
Taxpayer Name (print or type)	Date	Preparer's Business Address and Telephone Number (print or type)	
Title	Telephone Number		

**Return is due April 30 or on or before the last day of the 4th month after the close of the tax year.**

**WITHOUT PAYMENT:** Mail return to:

Michigan Department of Treasury  
 P.O. Box 30783  
 Lansing, MI 48909

**WITH PAYMENT:** Pay amount on line 31 and mail check and return to:

Michigan Department of Treasury  
 P.O. Box 30113  
 Lansing, MI 48909

Make check payable to "State of Michigan." Print the FEIN or TR Number and "MBT" on the front of the check. Do not staple the check to the return.

# Instructions for Form 4583

## Michigan Business Tax (MBT) Simplified Return

**Fiscal Year Filers:** See “Supplemental Instructions for Initial Fiscal MBT Filers” on page 133.

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### Purpose

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This form allows qualifying standard taxpayers to claim the Small Business Alternative Credit and to file and pay the MBT due without computing the Business Income Tax or Modified Gross Receipts Tax imposed under Sections 201 and 203 of the MBT Act. Qualified taxpayers may also use this form to claim the Gross Receipts Filing Threshold Credit and any refundable credits for which they are eligible.

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### Eligibility

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Standard taxpayers (all taxpayers who are not financial institutions or insurance companies) are eligible to use this form if all of the following conditions apply:

- Gross receipts do not exceed \$19,000,000.
- Adjusted business income does not exceed \$1,300,000.
- Adjusted business income does not exceed \$160,000 for Individuals or Fiduciaries.
- Filer is not a member of a Unitary Business Group (UBG) filing a combined return.
- Filer does not have a recapture of certain credits to report.
- Filer is not apportioning business activity.
- No partner has distributive income of more than \$160,000. Attach the *MBT Schedule of Partners* (Form 4578).
- No individual, shareholder or officer has allocated income over \$160,000. Attach the *MBT Schedule of Shareholders and Officers* (Form 4577). (Does not apply to Individuals and Fiduciaries filing as Individuals.)
- Filer is not a fiscal filer with tax year ending in 2008.

**NOTE:** A member of a Limited Liability Company (LLC) is characterized for MBT purposes as a partner, shareholder or owner based on the federal characterization of the LLC. An LLC taxed as a Partnership for federal purposes must file as a Partnership for MBT. Similarly, an LLC taxed as a Corporation for federal purposes must file as a Corporation for MBT.

**Corporations:** Allocated income for regular Corporations is either:

- a) Shareholders or officers compensation and directors fees from Form 4577, column L, or
- b) Shareholders compensation, directors’ fees and share of business income or loss from Form 4577, column N.

If either (a) or (b) is greater than \$160,000, the Corporation is not eligible to file this form.

Allocated income for S Corporation is shareholders compensation, directors’ fees and share of business income or loss from Form 4577, column N.

Even if eligible to file this form, a taxpayer may pay a lower tax by filing the *MBT Annual Return* (Form 4567) and taking the Small Business Alternative Credit using the *MBT Common*

*Credits for Small Businesses* (Form 4571). This is especially true if any of the following applies:

- A Single Business Tax (SBT) or MBT business loss carryforward exists, or
- A nonrefundable credit may be claimed.

**Tax Period Less Than 12 Months:** If a business operates less than 12 months, annualize gross receipts, business income and all shareholders, officers and partners’ income to determine the eligibility for a Small Business Alternative Credit. Do not use annualized numbers on the return, unless requested; use them only to determine filing requirements and qualifications for credits.

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### Line-by-Line Instructions

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*Lines not listed are explained on the form.*

Dates must be entered in MM-DD-YYYY format.

**Amended Returns:** Check the box (upper-right corner, page 1) if this is an amended return, and attach a separate sheet explaining the reason for the changes. Include any supporting documents including an amended federal return or a signed and dated Internal Revenue Service (IRS) audit document.

**Refund Only:** If apportioned or allocated gross receipts are less than \$350,000 and the taxpayer is filing this form to claim a refund of estimates paid, skip lines 10 through 21 and lines 28 through 31.

**Country Code:** If other than the United States, enter the country code. See the list of country codes on page 139.

**Line 1:** Enter the beginning and ending dates that correspond to the taxable period reported to the IRS. This form cannot be used for fiscal filers with tax years ending in 2008.

*Tax year* means the calendar year, or the fiscal year ending during the calendar year, upon the basis of which the tax base of a taxpayer is computed. If a return is made for a fractional part of a year, tax year means the period for which the return is made. Except for the first MBT return required, a taxpayer’s tax year is for the same period as is covered by its Federal Income Tax return. A taxpayer that has a 52- or 53-week tax year beginning not more than seven days before December 31 of any year is considered to have a tax year beginning after December of that year.

**Example 1:** A taxpayer with a federal tax year beginning on Monday, December 29, 2008, will be treated as follows:

- 2008 tax year end of December 31, 2008.
- Due date of April 30, 2009.
- 2009 tax year beginning January 1, 2009.

**Example 2:** A taxpayer with a federal tax year ending on Sunday, January 3, 2010, will be treated as follows:

- 2009 tax year end of December 31, 2009.
- Due date of April 30, 2010.
- 2010 tax year beginning on January 1, 2010.

**Example 3:** A 52- or 53-week year closing near the end of January is common in the retail industry. Such a taxpayer will be treated as follows:

- 2008-09 fiscal year end will be January 31, 2009.
- Due date will be May 31, 2009.
- 2009-10 fiscal year will begin on February 1, 2009.

**Line 3:** Enter a brief description of business activity (e.g., forestry, fisheries, mining, construction, manufacturing, transportation, communication, electric, gas, sanitary services, wholesale trade, retail trade, finance or services).

**Line 5:** Enter the entity's six-digit North American Industry Classification System (NAICS) code. For a complete list of six-digit NAICS codes, see the U.S. Census Bureau Web site at [www.census.gov/eos/www/naics/](http://www.census.gov/eos/www/naics/), or enter the same NAICS code used when filing the entity's U.S. Form 1120, Schedule K, U.S. Form 1120S, U.S. Form 1065 or U.S. Form 1040, Schedule C.

**Line 6:** Enter the date, if applicable, on which taxpayer went out of existence. To complete the discontinuance for Michigan taxes, file a *Notice of Change or Discontinuance* (Form 163), which is available on the Department of Treasury Web site at [www.michigan.gov/treasuryforms](http://www.michigan.gov/treasuryforms). If this taxpayer continues to exist, DO NOT use this line to report that this member has stopped doing business in Michigan.

**Line 7:** 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 is encouraged to register online at [www.michigan.gov/business taxes](http://www.michigan.gov/business taxes) before filing this form. By registering online, an account number is usually assigned within seven days. If paper filing, attach a page with the Social Security number (SSN) of the taxpayer. Do NOT enter the SSN on line 7. The Department will notify the taxpayer when a TR number is assigned. Use that number on all future MBT filings and correspondence until the entity obtains its FEIN.

**Line 8:** Check the box that describes the organization type. A Trust or LLC should check the appropriate box based on its federal return.

### Part 1: Calculation of Tax

**Line 9:** *Gross receipts* means the entire amount received by the taxpayer from any activity, whether in intrastate, interstate or foreign commerce, carried out for direct or indirect gain, benefit or advantage to the taxpayer or to others, with certain exceptions. Use the "Gross Receipts Checklist" on page 26 as a guide to be sure receipts have been totaled correctly. Use the appropriate worksheet on page 136 to calculate gross receipts.

A taxpayer should compute its gross receipts using the same accounting method used in the computation of its net income

for Federal Income Tax purposes. Under the *accrual method*, income is "received" and recorded on the books when all the events that establish the "right to receive" the income have occurred. Under the *cash method*, income is not recorded until payment is actually received, and expenses are not counted until they are actually paid. A taxpayer that computes its federal taxable income using the accrual method should consistently compute both its Business Income Tax base and Modified Gross Receipts Tax base using the accrual method.

A federal cash basis taxpayer would compute both the MBT Business Income Tax and Modified Gross Receipts Tax bases using the cash basis method.

**Line 10:** *Business income* means that part of federal taxable income derived from business activity. For MBT purposes, *federal taxable income* means taxable income as defined in IRC 63, except that federal taxable income shall be calculated as if section 168(k) [as applied to qualified property placed in service after December 31, 2007] and IRC 199 were not in effect. For a Partnership or S Corporation (or LLC federally taxed as such), business income includes payments and items of income and expense that are attributable to business activity of the Partnership or S Corporation and separately reported to the partners or shareholders. Use the appropriate worksheet on page 136 to calculate business income.

For an organization that is a mutual or cooperative electric company exempt under Internal Revenue Code (IRC) 501(c)(12), business income equals the organization's excess or deficiency of revenues over expenses as reported to the federal government, less capital credits paid to members of that organization, less income attributed to equity in another organization's net income, and less income resulting from a charge approved by a state or federal regulatory agency that is restricted for a specified purpose and refundable if it is not used for the specified purpose.

For a tax-exempt person, *business income* means only that part of federal taxable income (as defined for MBT purposes) derived from unrelated business activity.

For an Individual or an estate, or for a Partnership or Trust organized exclusively for estate or gift planning purposes, business income is that part of federal taxable income (as defined for MBT purposes) derived from transactions, activities, and sources in the regular course of the taxpayer's trade or business, including the following:

- All income from tangible and intangible property if the acquisition, rental, management, or disposition of the property constitutes integral parts of the taxpayer's regular trade or business operations.
- Gains or losses incurred in the taxpayer's trade or business from stock and securities of any foreign or domestic Corporation and dividend and interest income.
- Income derived from isolated sales, leases, assignment, licenses, divisions, or other infrequently occurring dispositions, transfers, or transactions involving property if the property is or was used in the taxpayer's trade or business operation.
- Income derived from the sale of a business.

**NOTE:** Personal investment income, gains from the sale of property held for personal use and enjoyment, or other assets not used in a trade or business, and any other income not specifically derived from a trade or business that is earned, received, or otherwise acquired by an Individual, an estate, or a Trust or Partnership organized or established exclusively for estate or gift planning purposes, are not included in the Business Income Tax base. This exclusion only applies to the specific types of taxpayers identified above. Investment income and any other types of income earned or received by all other types of persons or taxpayers not specifically referenced must be included in the business income of the taxpayer.

**Line 11:** Enter all capital losses that were used federally to offset capital gain. This is not the net figure found on the Schedule D lines identified below, but rather the amount of capital losses that were used in reaching the net figure on those federal return lines. If filing U.S. Form *1040* or *1041*, include the capital loss amount that the Individual or Fiduciary was able to use against the capital gain or the capital loss amount that the Individual or Fiduciary was permitted to deduct from ordinary income (\$3,000 or less). Use both long-term and short-term capital losses here.

Identify the capital losses used in calculating the net figure using “Net short-term capital gain or (loss)” and “Net long-term capital gain or (loss)” from the following federal forms:

- Form *1040*, Schedule *D*
- Form *1041*, Schedule *D*
- Form *1065*, Schedule *D*
- Form *1120*, Schedule *D*
- Form *1120S*, Schedule *D*.

Also include on this line the net operating loss carryback or carryover from the federal schedule that was included in the business income reported on line 10. Report each of these figures as a positive number.

**Line 17:** Enter figure from line 9. If less than 12 months, enter the annualized amount.

## Part 2: Payments and Refundable Credits

**Line 22:** Enter overpayment credited from 2007 SBT or overpayment from first fiscal year 2008 MBT return.

**Line 23:** Enter the total tax paid with the *MBT Quarterly Tax Return* (Form 4548), or the estimated MBT paid with the *Combined Return for Michigan Taxes* (Form 160) or the amount paid through Electronic Funds Transfer (EFT). Include all payments made on returns that apply to the current tax year. For example, calendar-year filers include money paid with the combined returns for return periods January through December.

**Line 25:** Enter refundable credits from the *MBT Refundable Credits* (Form 4574), line 23. If claiming a Michigan refundable credit, see Form 4574.

## Amended Returns Only:

**Line 27a:** Enter payment made with original return.

**Line 27b:** Enter refund received with original return.

**Line 27c:** Add lines 26 and 27a and subtract line 27b from the sum.

## Part 3: Tax Due / Overpayment

**Line 29:** If penalty and interest are owed for not filing estimated returns or for underestimating a tax, complete the *MBT Penalty and Interest Computation for Underpaid Estimated Tax* (Form 4582) on page 105 to compute penalty and interest due. If a taxpayer prefers not to file this form, the Department will compute the penalty and interest and bill for payment.

**Line 30:** Penalty and Interest. See “Computing Penalty and Interest” on page 14.

**Line 32:** If the amount of overpayment, less any penalty and interest due on lines 29 and 30, is less than zero, enter the difference (as a positive number) on line 28. If the amount is greater than zero, enter on line 31.

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## Attachments

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**Federal Forms:** Attach copies of these forms to the return.

• **Corporations:** U.S. Form *1120* (pages 1 through 4), 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*, Form *8825*.

• **Individuals:** U.S. Form *1040* (pages 1 and 2), Schedules *C*, *C-EZ*, *D*, *E*, and Form *4797*.

• **Fiduciaries:** U.S. Form *1041* (pages 1 through 4), Schedule *D*, and Form *4797*.

• **Partnerships:** U.S. Form *1065*, (pages 1 through 5)\*, Schedule *D*, Form *4797*, and Form *8825*.

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

\* Do not send copies of K-1s. The Department will request them if necessary.