

**Check if this is an amended return.**  
Complete reason code on this page.

# 2018 City of Detroit Income Tax Withholding Annual Reconciliation

Issued under authority of Public Act 284 of 1964, as amended.

Return is for the city of <b>DETROIT</b>	City Code <b>170</b>
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**Return is due February 28, 2019.**

Taxpayer's Business Name		Federal Employer Identification Number (FEIN)	
Street Address			
City		State	ZIP/Postal Code
Country Code			
If Discontinuing, Date of Discontinuance (MM-DD-YYYY)	Reason Code for Discontinuance (see instructions)	Reason Code if amending (see instructions)	
If Reason Code for Discontinuance is "Other," Explain			
If Reason Code for Amending is "Other," Explain			

1. Gross city payroll, pension and other taxable compensation paid for the year .....	1.	
2. Total number of W-2 and 1099 forms ..... 2.		
3. Total city income tax withheld per W-2 and 1099 forms .....	3.	
4. Total city income tax withholding paid during current tax year .....	4.	
5. <b>If amending only:</b> Overpayment, if any, received on the original return or previous amended return .....	5.	
6. Add line 3 and line 5 .....	6.	
7. <b>If amending only:</b> Amount paid with original return plus additional tax paid after original return was filed (excluding penalty and interest).....	7.	
8. Add line 4 and line 7 .....	8.	
9. <b>REFUND.</b> Subtract line 6 from line 8. If less than zero, leave blank and continue to line 10 .....	9.	
10. Subtract line 8 from line 6 .....	10.	
11. Penalty paid with this return (see instructions) .....	11.	
12. Interest paid with this return (see instructions) .....	12.	
13. <b>TOTAL PAYMENT DUE.</b> Add line 10, line 11 and line 12 .....	13.	

<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 Signature	
Signature of Taxpayer or Official Representative (must be Owner, Officer, Member, Manager, or Partner)		Preparer's Business Address	
Print Taxpayer or Official Representative's Name	Date		
Title	Telephone Number	Preparer's Identification Number	Preparer's Telephone Number

**ALL ANNUAL RECONCILIATION RETURNS.** Mail to: Michigan Department of Treasury, City of Detroit, PO Box 30812, Lansing MI 48909  
**WITH PAYMENT.** Pay amount on line 13. Make check payable to "State of Michigan - Detroit." Print taxpayer FEIN, tax period and "City WH" on the front of the check. Do not staple check to the return.

# Instructions for Form 5321

## 2018 City of Detroit Income Withholding Annual Reconciliation

### Filing Requirements

Employers withholding city income tax are required to annually reconcile the city income tax withheld to the city income tax withholding paid. The *City Income Withholding Annual Reconciliation* (Form 5321) is the form used to make this reconciliation, replacing the *City Income Tax Withheld Annual Reconciliation* (Form DW3).

Employers choosing to e-file the return and make a payment by paper check should include payment with a *City of Detroit Income Tax Withholding E-file Payment Voucher* (Form 5322). See Form 5322 for additional instructions.

Monthly and quarterly filers must file Form 5321 on a calendar-year basis (not your fiscal year). Taxpayers that had multiple active account numbers (Federal Employer Identification Numbers) in a tax year are required to file separate annual returns for each account number assigned. Taxpayers that use an outside payroll or accounting agency should coordinate this filing responsibility with the agency.

Form 5321 must be signed and dated by the taxpayer or the taxpayer's authorized agent.

### W-2 Wage and Tax Statements

Each employer must furnish W-2 statements to employees by January 31. Employers doing business within the city designated must report W-2 information to the Michigan Department of Treasury on or before February 28. When submitting W-2 forms by paper, they must be included with Form 5321. Note that tax withheld for December (or the fourth quarter, if the employer is a quarterly filer) is due on or before January 15.

Form 5321 serves as the transmittal statement for paper W-2 forms. A W-2 must be submitted by an employer doing business in the city designated on Form 5321 for each employee:

- a. From whom tax has been withheld for the designated city during the year, or,
- b. Who earned wages in the designated city or lived in that city during the year, even if no income tax was withheld.

Some computer software programs allow the electronic filing of W-2 data in the Social Security Administrations EFW2 format, when Form 5321 is e-filed. Check with your software provider for more details.

All employers registered for city income tax withholding must file Form 5321 each year, even if no tax is due. Form 5321 reconciles the tax due for the year with the monthly or quarterly payments made during the year. Do not use Form 5321 instead of your monthly or quarterly returns. Form 5321 and any payment required are due February 28. No extensions are granted for filing Form 5321.

### Late or Insufficient Payment

Returns filed late and without payment of tax due are subject to penalty and interest. Form 5321 instructions for line 11 and line 12 explain how to calculate penalty and interest.

### Electronic Filing

Filing of tax returns and payments electronically is accurate, convenient and secure. E-file returns have significantly less chance of error and are processed faster than paper returns. When e-filing, do not mail a paper copy of Form 5321, unless requested by Treasury to do so.

Visit [www.MIfastfile.org](http://www.MIfastfile.org) for more information.

### Line-by-Line Instructions

*Lines not listed are explained on the form.*

This form is for use by a taxpayer filing a City of Detroit Income Tax Withholding Annual Reconciliation for 2018. This tax is administered by the Michigan Department of Treasury on behalf of the City of Detroit.

Only report income tax withholding attributable to the City of Detroit.

**Taxpayer's Business Name:** The business name entered on this return should be the same business name submitted on your *City of Detroit Income Tax Withholding Monthly/Quarterly Return* (Form 5323).

**Federal Employer Identification Number (FEIN):** Use the same FEIN that was used when filing Form 5323.

**NOTE:** If the taxpayer does not have an FEIN, the taxpayer must obtain an FEIN before filing a City of Detroit Income Tax Withholding Return. Go online to [www.michigan.gov/businesstaxes](http://www.michigan.gov/businesstaxes) for information on obtaining an FEIN. Returns received without a registered account number will not be processed until such time as a number is provided.

**Street Address:** Enter the complete address, including the two-digit abbreviation for the country code.

**Foreign Filers:** Complete the address fields as follows:

- **Address:** Enter the postal address for this taxpayer.
- **City:** Enter the city name for this taxpayer. DO NOT include the country name in this field.
- **State:** Enter the two-letter state or province abbreviation. If there is no applicable two-letter abbreviation, leave this field blank.
- **ZIP/Postal Code:** Enter the ZIP Code or Postal Code.
- **Country Code:** Enter the two-letter country code provided in the list of codes available online at [michigan.gov/taxes](http://michigan.gov/taxes). See the City of Detroit Withholding Tax page.

COMMONLY USED COUNTRY CODES	
United States	US
Canada	CA
Mexico	MX

**NOTE:** Any correspondence regarding the return filed and/ or refund will be sent to the address provided on this form. The taxpayer's primary address on file with Treasury, identified as the legal address and used for all purposes other than refund and

correspondence on a specific City Income Tax Withholding Annual Reconciliation return, will not change unless the taxpayer files a *City of Detroit Notice of Change* (Form 5439) with Treasury.

**Date of Discontinuance:** Enter the date, if applicable, the taxpayer discontinued its business.

**Reason Code for Discontinuance:** Enter the two-digit code that best represents the reason for discontinuance from the table below.

01	Business Closed
02	Sale of Business
10	Other

• If selecting “Other,” provide a brief explanation in the field “If Reason Code for Discontinuance is ‘Other,’ Explain.”

**Reason code if amending:** Using the table below, select the two-digit code that best represents the reason for amending the return.

01	Increasing tax liability
02	Decreasing tax liability
03	Incorrect info./figures reported on original return
04	Original return was missing information/incomplete
10	Other

• If selecting “Other,” provide a brief explanation of the reason in the space provided.

**IMPORTANT:** When amending a return you **MUST** enter a reason code **AND** place an “X” in the “Check if this is an amended return” box located in the upper right of the return.

**Line 1:** Enter your total gross payroll and other compensation subject to income tax withholding in the City of Detroit, for the year.

**Line 3:** Enter the total City of Detroit income tax withheld for the year.

**Line 4:** Enter the total City of Detroit income tax withheld that was paid on your monthly or quarterly returns. Do not include penalty and interest.

**Line 5:** If amending a return previously filed, enter any overpayment received on the original return or previous amended return.

**Line 7:** If amending a return previously filed, enter the amount that was paid with your original return plus any additional tax that was paid after the original return was filed. **Do not** include penalty and interest paid with the original return.

**Line 9: Refund.** The taxpayer should not request a refund if they overwithheld City of Detroit Income Tax from an employee and the overage is reported on the employee’s W-2.

**NOTE:** A refund is allowed if the taxpayer reported an amount in error (either a clerical error or data that conflicted with a correctly prepared W-2) or incorrectly prepared a W-2 for an employee but then re-issued a corrected W-2. If requesting a refund, include a detailed written explanation.

**Line 11 and Line 12:** How to compute penalty and interest:

- If your return is filed with additional tax due, include penalty and interest with your payment. Penalty is 1% of the tax due and increases by an additional 1% per month or fraction thereof, to a maximum of 25%.
- Interest is charged daily using the average prime rate, plus 1 percent.

**REMINDER:** Taxpayers must sign and date returns. Preparers must provide a Preparer Taxpayer Identification Number (PTIN) or Social Security Number (SSN), as well as a business name, business address and phone number.

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### Mailing Address

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Mail your Annual Reconciliation return to:

Michigan Department of Treasury  
City of Detroit  
PO Box 30812  
Lansing MI 48909

Make check payable to “State of Michigan — Detroit.” Write the FEIN and “2018 City WH” on the check. Do not staple the check to the return.

**NOTE:** Form 5321 is used to amend a previously filed tax year 2018 annual return. To amend Form 5321, complete the return with the corrected figures and place an “X” in the “Check if this is an amended return” box located in the upper right hand corner of the return. For completing the “Reason Code if amending” field, see the line-by-line instructions.